ST. MARY'S UNIVERSITY
SCHOOL OF GRADUATE STUDIES

THE EFFECT OF LEADERSHIP STYLES ON EMPLOYEE
PERFORMANCE IN ETHIOPIAN AIRLINES

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JANUARY,2024

ADDIS ABABA, ETHIOPIA

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A THESIS SUBMITED TO ST. MARY'S UNIVERSITY COLLEGE, SCHOOL OF GRADUATE STUDIES IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE DEGREE OF MASTER OF BUSINESS ADMINISTRATION.

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DECLARATION

I, declare that this thesis entitled "**The Effect of Leadership Styles on Employee Performance in Ethiopian Airlines**" is my original work prepared under the guidance of SALAMLAK MOLLA, PhD. I further confirm that the thesis has not been presented for a degree in any other university. All sources of materials used for the thesis have been duly acknowledged.

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ENDORSEMENT

THIS THESIS HAS BEEN SUBMITTED TO ST. MARY'S UNIVERSITY, SCHOOL OF GRADUATE STUDIES FOR EXAMINATION WITH MY APPROVAL AS A UNIVERSITY ADVISOR.

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St. Mary's University College, Addis Ababa   **JANUARY, 2024**

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Table of Contents

List of Tables

List of Figures

ABBREVATIONS

SPSS	Statistical Package for Social Science
SD	Standard Deviation
ANOVA	Analysis of Variance
VIF	Variance Inflation Factor
DLS	Democratic Leadership Style
ALS	Autocratic Leadership Style
LFLS	Laissez Fair Leadership Style
CLS	Coaching leadership Style
EP	Employee Performance

ABSTRACT

Leadership and leadership style are the most important factors for both the employee and the organization in the achievement of goals/any result. The main objective of this study is to examine the effect of leadership styles on employee performance in Ethiopian Airlines. Leadership styles such as democratic, Autocratic, Laissez-faire and coaching leadership styles were used as the independent variables. A standardized questionnaire was distributed via google forms to 135 respondents, random sampling technique was used. The data collected used a structured five-point Likert scale and was analyzed using descriptive statistic and inferential statistics. Descriptive statistics was used to summarize data related to general information and inferential statistics including correlation and regression analysis was employed to determine the effects among the study variables. Form the descriptive analysis result, democratic leadership style has an overall mean of 13.59, Autocratic has a mean of 19.19, Laissez- faire has a mean of 16.44, coaching has a mean of 14.24 and employee performance has a mean of 19.90 The correlation and test of hypothesis shows that (p-value < 0.05) all the independent variables have a significant effect on employee performance. The findings of the inferential statistics shows that democratic and coaching leadership style have a significantly positive effect on employee performance. Based on the findings the management of Ethiopian Airlines should continue exercising democratic and coaching leadership style because it has a significantly positive effect on employee performance.

CHAPTER ONE

1. INTRODUCTION

1.1. BACKGROUND OF THE STUDY

Leadership is defined as the process by which one or more people persuade a group of people to go in a specific direction. According to Messick and Krammer (2004), the degree to which an individual shows leadership attributes is determined not only by his features and talents but also by the characteristics of the circumstance and environment in which he finds himself. As a result, an individual will support the organization if he feels that his objectives and aspirations may be realized through it; otherwise, the individual's interest would wane. When a group leader influences the motivation or competency of others in the group, this is referred to as leadership. According to Nongo (2019), 2 leadership includes an unequal allocation of power between leaders and group members. Group members have power, but leaders usually have more power.

Leadership has been defined by several academics. Leadership is defined as an interpersonal process in which a leader leads the activity of individuals or groups toward the deliberate pursuit of given objectives within a specific organizational environment via shared understanding. Leadership is an influence process between a leader and followers in which the leader inspires, encourages, and facilitates the actions of an organizations group towards goal completion using largely non-coercive ways (Zagorsek, 2004). According to Rauch and Behling (as mentioned in Yukl, 2010), leadership is the process of guiding the activities of an organized group towards goal attainment. Northouse (2013) defines leadership as the process by which a person inspires a group of others to attain a common purpose.

Leadership style is one of the most important components of employee performance. Leadership and leadership style are the most important factors in the achievement of any result (Choi, 2006). Leadership style is defined as the way and approach to providing direction, implementing goals, and inspiring a group, as well as the collection of features, characteristics, abilities, and behaviors that leaders employ while engaging with their subordinates (Ojokuku, 2012).

A leader is someone who can influence others (Cole, 2006; Robbin and Coulter, 2007; Weihrich and Koontz, 2008). This is because leadership is a crucial aspect that significantly contributes to the overall well-being of

organizations and nations. A good leader possesses attributes such as integrity, determination, giving credit where credit is due, humility, openness, inventiveness, fairness, and a sense of humor. To achieve goals, a leadership style entails a continuous blend of individual behaviors and attitudes toward group members. An effective leader not only stimulates subordinates' potential to improve efficiency but also addresses their needs in the process of attaining predetermined goals (Lee and Chuang, 2009).

To attain objectives Leadership is vital for all organizations since the success or failure of an organization is dependent on the efficacy of leadership at all levels. Effectively manage the relationship with employees, motivation, and job satisfaction levels of the employees the manager has the skills and techniques and are also higher, and given that the engine of an organization is its employees, this can effectively help to improve the performance of the total organization (Yukl, 2001).

According to Asika (2004), leadership is the act of influencing others to devote their efforts towards the attainment of a specified objective or goal. According to Armstrong (2002), leadership is the practice of convincing and inspiring people to work hard toward reaching goals. According to Lawal (1993), leadership is the process of encouraging people to work willingly and confidently toward an organizational objective. According to McGowan and Miller (2004), leadership is about both the leaders and the relationships between the numerous leaders in the firm. Leadership in an organization is critical in raising people's interest and commitment to the origination (Obiwuru, Okwu, Akpa, &Nwankere, 2011).

The prosperity of a nation, society, government, organization, and workforce is inextricably related to leadership. According to Ricketts (2005), leadership has played a critical role in practically every facet of society. According to Kai (2013), in the operation of a firm, leadership behaviors and leadership style have a decisive impact on employee performance. According to Gupta, McDaniel, and Hearth (2005), leadership develops and communicates to employees at the organizational level the overarching direction of the organization, such as developing a better grasp of successful employees' performance and future leader growth.

The primary need for an organization's overall effectiveness is employee performance, and there are several approaches to comprehending leadership styles (Northouse, 2016). A competent, skilled, and motivated employee goes a long way toward achieving the success of the organization. Employee performance can be defined as the capacity of employees to accomplish organizational goals more successfully and efficiently. Enhancing employee performance eventually benefits the organization (Jing & Avery, 2008).

1.2. BACKGROUND OF THE ORGANIZATION

Ethiopian Airlines has become one of the leading airlines in Africa, serving as a key economic driver for the country. As an organization that heavily relies on its workforce, it's essential to explore the factors that impact employee performance. One such factor is leadership style, which plays a critical role in shaping the behavior and attitudes of employees. This study aims to examine the effect of different leadership styles on employee performance within Ethiopian Airlines.

Despite its humble beginnings, Ethiopian Airlines has had more than 78 years of successful journey which made it the leading Aviation Group in Africa. Of course, Ethiopian Airlines is aging beautifully. Over the decades, the airline has established itself as the leader in all facets of the aviation business: technology leadership, network expansion, and aviation mentoring.

Ethiopian Airlines is a flag carrier airline which is established on December 21, 1945, and started operation on April 08, 1946. It's the continent's leading carrier serving 100 international and 21 domestic destinations while operating with state-of-the-art aircraft. Recently it's named Africa's largest airline in terms of passengers carried, destinations served, fleet size, and revenue by the African Logistics. And is also the 4th largest Airline by the number of countries served in the world. The airline has about 18,000 employees and it accommodates different benefit programs like medical insurance, transportation, and free tickets to travel to any part of the world. Ethiopian Airlines has also a dress code, strict time management which is controlled digitally, and a work culture that encourages employees to go the extra mile to accomplish their tasks.

1.3.STATEMENT OF THE PROBLEM

Leadership is perhaps one of the most important aspects of management. Thus, the execution of leadership is one way that leaders can build commitment and job satisfaction in employees and in turn will increase their performance.

An effective leadership style encourages more worker involvement and can have a favorable effect on both individual and organizational success. Thus, the capacity of executives to optimize human resources is critical to an organization's success. The attainment of organizational objectives is heavily reliant on good leadership and the use of human resources, without people, organizations cannot exist or operate. (Koech & Namusonge, 2012)

The presence of a consistent relationship between leadership styles and employee performance has wide recognition so the nature of leadership style and behavior of a leader has an enormous impact on employees and organizational outcomes (Waldman, et, al 2001). The capability of a group, to effectively implement business strategies, gain a competitive advantage and optimize human capital, largely depends on the leadership styles that encourage employee's performance (Kolzow, 2014).

Choosing the proper sort of leadership is crucial since it outlines how leaders should set their instructions for leading their teams. Whether they use the same style in all situations or use a different style for each one, selecting the appropriate style will assist them in evaluating their efficiency given the circumstances. (Warner, 2012)

Employee performance that is perceived as executing defined duties, meeting deadlines, team input, and the cohesion of both leadership and performance should be evident through the style and approach used by managers in the attempt to cause efficiency that requires specific leadership approaches to unique performance challenges in achieving departmental goals. Armstrong (2005)

There are quite several researches undertaken on the overall effects of leadership styles on employee performance but not specifically on the effects of the different leadership styles like autocratic, democratic, laissez-faire, and coaching that state how to use which style is more appropriate to enhance employee performance depending on various circumstances. In addition to that, there was no research done before that shows the effect of leadership style on employee performance in the case of Ethiopian Airlines.

Therefore, this research intended to fill the knowledge gap by demonstrating the effects of autocratic, democratic, laissez-faire, and coaching leadership styles on employee performance in Ethiopian Airlines.

1.4. RESEARCH QUESTIONS

- What is the effect of democratic leadership style on employee performance in Ethiopian Airlines?

- What is the effect of autocratic leadership style on employee performance in Ethiopian Airlines?

- What is the effect of laissez-faire leadership style on employee performance in Ethiopian Airlines?

- What is the effect of coaching leadership style on employee performance in Ethiopian Airlines?

1.5. RESEARCH OBJECTIVES

1.5.1. General Objective

The general objective of the study was to examine the effect of leadership styles on employee performance in Ethiopian Airlines.

1.5.2. Specific Objectives

- To determine the effect of democratic leadership style on employee performance in Ethiopian airlines

- To identify the effect of autocratic leadership style on employee performance in Ethiopian Airlines.

- To examine the effect of laissez-faire leadership style on employee performance in Ethiopian Airlines.

- To determine the effect of coaching leadership style on employee performance in Ethiopian Airlines.

1.6. SIGNIFICANCE OF THE STUDY

This study has significance to variance parties

This study was undertaken to help Ethiopian Airlines' senior management discern between different leadership styles and determine which type was most suited to particular scenarios.

The value of this research was to help future researchers, students, and academics comprehend the impacts and importance of different leadership styles on employee performance.

1.7. SCOPE OF THE STUDY

The scope of this study was confined to the effect of leadership style on employee performance in Ethiopian Airlines Addis Ababa. The study only observed four types of leadership styles (Democratic, Autocratic, Laissez-faire, and Coaching) and their effect on employee performance.

1.8. LIMITATIONS OF THE STUDY

A limitation of this study was that, owing to inconvenience, it only included Ethiopian Airlines employees who worked at the Addis Ababa headquarters; however, the company has a sizable number of employees outside the country. As a result, the study's findings could not apply to workers who are employed overseas. Future studies might look into ways to incorporate all of the company's workers.

1.9. OPERATIONAL DEFINITION OF TERMS

Leadership: Leadership is a reciprocal social influence process in which leaders and subordinates influence one another to achieve organizational goals. A good leader encourages people and motivates individuals not only to improve their job performance and dedication within an organization but also to go above and beyond the job requirements, enhancing the organization's overall performance and profitability. Peris (2012)

Leadership styles: Leadership style is the personality trait expressed by leaders that motivates subordinates to follow them. Thomas, (2002)

Employee performance: The primary objective of every organization is to improve employee job performance so that it can survive in this highly competitive climate. Employee performance is the result of activities taken by workers who are competent in delivering organizational goals and objectives. Prasetya and Kato (2011)

1.10. ORGANIZATION OF THE STUDY

This study was organized into five chapters, chapter one presents the introduction part which includes background of the organization, background of the study, statement of the problem, objectives of the study, research questions and hypothesis, significance of the study, scope, definition of terms and organization of the study. Chapter two consists review of related literature where the researcher analyzed the existing literature about the subject and developed a conceptual framework for the study. Chapter three includes the methodology, instruments of data collection, and data analysis procedures and methods used to attain the research objectives. The fourth chapter consists of the data presentation, analysis, and interpretation based on the data that was gathered. Finally, the fifth chapter has incorporated a summary of the findings, conclusions, and recommendations part of the study.

CHAPTER TWO

LITERATURE REVIEW

2. REVIEW OF THEORETICAL LITERATURE

A variety of theories have risen that focus on the methods, qualities, styles, and situational approach to leadership, which has become the most extensively researched component of organizational behavior. Due to the steadily increasing interest in the topic of leadership, behavioral scientists and sociologists started to examine the possible implications of leadership behaviors as well as the factors that may be used to anticipate those behaviors.

2.1. Concept of Leadership

Leadership is more about setting direction, bringing people together, and encouraging and inspiring others. Leadership is concerned with the organization's long-term outcomes and future ambitions. Leadership is about people more than jobs. Many of these abilities and hobbies are typically put to excellent use by leaders, but often to better effect since they focus on areas such as creating solutions (not problems), managing change, and encouraging employees to reach their goals. Kotler (1990)

A complicated social process, anchored in the values, aptitudes, and perspectives of both leaders and followers, leadership may be described as such. Therefore, everything revolves around the ongoing process of forging and sustaining a bond between those who seek to lead and those who are prepared to follow. Additionally, it has served as the focus of several scholarly research initiatives and more than a dozen commercial periodicals. Numerous academics and researchers have made significant contributions to the various theories and practices of leadership, and as a result of in-depth study, the topic has become recognized as a valid field. However, there is still consensus over what true leadership is. Many academics and researchers concur that leadership is a combination of abilities and actions that display those abilities. (Hersey and Blanchard 1984).

A leader's attitude and behavior along with their chosen methods of interacting with their subordinates are referred to as their leadership style. It is the end consequence of the leader's ideology, character, and experience. (Dubrin 2004) Numerous leadership philosophies exist, including autocratic, bureaucratic,

charismatic, democratic, participatory, situational, transformational, and transactional leadership, coaching, and laissez-faire leadership. (Mosadeghrad, 2003a)

Leadership is described as a process through which an individual persuades others to carry out a task and guides the organization in a way that strengthens its coherence and cohesiveness. These are done via the use of leadership qualities including convictions, ethics, and character as well as knowledge and abilities. To bring about meaningful change, leadership is the combined sharing of vision, resources, and value. It is the capacity to generate in people a sense of confidence and enthusiasm as well as a desire to follow one's leadership. (Kumar 2014)

Leadership is a process through which a person exerts control over the ideas, attitudes, and actions of others by accepting responsibility for establishing the company's course and assisting others in developing a clear picture of the future and a plan for preserving it. (Memon 2014)

As society and technology evolve, there is a rising need for good leaders in the modern period. Additionally, the constantly evolving workplace has increased the requirement for leaders who can handle the demands and difficulties faced by businesses operating in difficult competitive conditions. Perhaps one of the most crucial management facets is leadership. (Weihrich and Koontz, 2008). This is because leadership has a significant role in the general well-being of companies and countries. There have been many notable leaders throughout history, including Moses and David in the Old Testament, Napoleon in the 1700s, Nelson Mandela and Martin Luther King in the 1900s, and many more. (Bass, 1997).

2.1.1. Leadership Styles

A leader's technique for encouraging others, implementing goals, and giving guidance is referred to as their leadership style. A team of scholars was led by Kurt (1939) to uncover several leadership philosophies. Being aware of one's mastery of numerous techniques and adapting to them depending on the occasion can help a leader be effective with his or her followers. The notion of an individual leader's leadership style is centered on task and interpersonal behavior, and how well they apply their styles to a given circumstance determines how effective they are (Bruno, Leo. 2013).

There are many different types of leadership. There are various efficient techniques to influence others towards the accomplishment of a goal, ranging from the approaches of Alexander the Great, Adolf Hitler, and Martin Luther King to Mother Teresa, Steve Jobs, and Nelson Mandela. They are all outstanding leaders

because they exceeded expectations in achieving their goals. However, each had a unique style. Contextual Leadership Intelligence (CLI) is most likely what these leaders have in common. CLI is described as a strong capacity for pattern recognition in the presence of complexity and ambiguity, as well as a capacity for adaptation when attempting to influence events. It enables leaders to change their approach depending on the circumstances and the demands of their followers. Therefore, a leader must understand that there is no "one best way" to lead and to modify his or her approach to suit the circumstance and/or the particular group of followers. (Nye, 2013)

The democratic leadership style shares decision-making duties and provides followers with a say in almost every choice the team makes. Being a democratic leader is a lengthy process since choices are almost usually made together. The democratic leaders frequently split their workforce into several teams. They appreciate the diversity of abilities and talents among staff members and are aware of the advantages of cooperating to achieve a shared objective. When change is required and followers are aware of the organization's procedures, this leadership style works well. (John Kotter 1988)

A firm with an autocratic leadership style is run by a single individual. A highly rigorous, directive leader is described as being autocratic if they utilize their position to exert influence on followers' rewards and make them obey their orders by instructing and directing the followers on what to do and how to carry out a job, this sort of leader dominates and controls all decisions and activities while limiting the originality and innovativeness of the followers. These bosses often don't consider any thoughts or proposals from their workers. Authoritarian leaders, on the other hand, frequently make every choice themselves. (Daft, 2005)

The Laissez Faire Leadership Style gives the followers flexibility to decide how to finish their task or to approach the leader with questions. Employees and subordinates are welcome to contribute to decision-making and are encouraged to do so. Employees must be mature, responsible, and experienced to provide positive results. The leaders who use this leadership style provide their followers with the tools they need to achieve their objectives and respond to their queries. They may achieve their goals with ease if there are lots of employees who are honest and helpful in their job. Because the leader gives the followers little to no direction, the laissez-faire leadership style is occasionally referred to as a "hands-off" leadership style. (Ogbonna et al., 2000)

Coaching leadership style provides guidance and feedback along the way to help team members grow and prosper. There are several methods to do things, and each has a different result. Some well-known leaders have had great success using the coaching leadership style to generate excellent results with their teams. The coaching leadership method offers a lot of advantages. It can be advantageous for both the teams and their management. Teams managed by managers who take a coaching stance are more productive. Managers achieve this by concentrating on each individual independently. If you provide them with the tools they need to succeed, they can do their duties quickly. Furthermore, the connections created throughout the choosing process act as a strong motivator to preserve devotion and put up the most effort. Karlsen, (J. T., & Berg, M. E. 2020)

According to Heneman and Gresham (1999), the democratic method encourages accountability sharing, delegation, and ongoing consultation. In this approach managers comments and recommendations on all significant issues and choices and successfully delegate responsibilities to subordinates and give them complete power and responsibility for those activities, and encourage others to become strong leaders and active in leadership and employee development. This resulted in increased staff dedication to departmental objectives and timely performance.

According to Gustavinis (2004), an authoritarian leadership style results in high employee turnover, absenteeism, low productivity, fights, hostile attitudes, and distorted and guarded communication. It also negatively impacts the quality of the job. The autocratic approach might provide impressive outcomes quickly. On the other hand, overuse of power will eventually skew production. Adair (2002) proposed that the autocratic leader feels he has total power over everyone around him and may treat them anyway he pleases. When rapid thinking and action are needed, this is helpful.

Kotur and Anbazhagan (2014) focused on the three intriguing leadership philosophies—autocratic, laissez-faire, and democratic—that occupy the top, bottom, and middle positions in the hierarchy of leadership authority. According to Okumbe (1998), the benefits of laissez-faire leadership include making choices easier to accept and encouraging people to drive themselves.

2.2. LEADERSHIP THEORIES

2.2.1. Great Man Leadership Theory

Since most societies depend on heroes to describe their triumphs and provide an explanation for their failures, efforts to identify universal characteristics of leadership have been made over a long period. In 1847, Thomas Carlyle said that "universal history, the history of what man has accomplished in this world, is at the bottom of the history of the great men who have worked here," which is best for the heroes. According to Carlyle's "great man theory," only persons with heroic potential can become leaders. Leaders are thus born, he contended. He believed that great men were born, not created. He suggested that the historical situation was complicated but not decided by the eventful individual. On the other hand, he argued that the event-making man's activities affected the course of events, which may have been quite different if he had not been engaged. "The consequences of outstanding capacities of intelligence, will, and character rather than the actions of distinction" is the event that bases man's duty. The Great Man notion, however, was called into question when it became clear that this idea of leadership was ethically defective, just like that of Hitler, Napoleon, and others of a similar caliber. These great persons lost their relevance, which led to the expansion of the organizations. The great leader who, by his brilliance and foresight, could rule an expanding organization with dictatorial powers while still delaying democratization has received the death blow from the passing years. The notion that leaders are born or are destined by nature to be in their function at a given moment was subsequently replaced with the idea that leadership may be imagined as having certain characteristics. (Thomas Carlyle, 1847)

2.2.2. Trait and Behavioral Leadership Theory

Early thinkers believed that leaders were born with specific physical and psychological features that set them apart from non-leaders. The notion of whether leadership skills were inherited or learned was discarded by trait theories. Jenkins recognized two characteristics: emerging characteristics (those significantly influenced by genetics), such as height, intellect, beauty, and self-assurance, and effectiveness characteristics (based on experience or learning), such as charisma, as a key element of leadership. addictiveness in terms of the personality and psychological traits of the leader. (Ekvall&Arvonen, 1991)

The trait model of leadership, along with its related ideas and perspectives, was developed in the early 1900s, according to Hersey and Blanchard (1988). In essence, this was the initial attempt to theoretically grasp the

characteristics of leadership. The trait approach makes an effort to explain leadership obsession in terms of the leader's personality and psychological characteristics. (Anthony, 2005).

The Behavior Theory acknowledges the significance of certain necessary leadership skills that serve as enablers for a leader who performs an act while drawing its parallel with a previous capacity of the leader, before that particular act while suggesting that each individual has a distinct style of leadership with which he/she feels most contented. (Feidler& House 1994)

According to behavioral theories of leadership, what sets leaders apart from their followers is their behavior. The idea that exceptional leaders are formed, not born, places more emphasis on the behaviors of leaders than on mental attributes or internal emotions. This idea contends that teaching and observation are two effective ways for people to learn how to lead. Behavior theories look at the leader's focus on people, tasks, or both. (Hersey and Blanchard, 1988).

2.2.3. Situational and Contingency Leadership Theory

According to the contingency theory of leadership, a leader's ability to lead depends on how their traits and the circumstances around them interact. Contingency theories are predicated on the idea that environmental situational elements affect the link between leadership style and organizational results. As a result, outcomes cannot be anticipated by leadership style unless the environmental situational variables are understood. (Cheng and Chan, 2002)

Fielder's (1967) coworker theory, House's (1971) path-goal theory, and Heresy and Blanchard's (1969) situational leadership theory are the three frameworks that make up this leadership strategy. This strategy and the three models show that no leadership style is ideal in every circumstance. The desired leadership style of the leader, the skills and actions of the followers, and the circumstances all play a role in success. Control is dependent on three aspects, namely the connection between the leader and followers, the degree of task structure, and the leader's authority, position, or power. Effective leadership necessitates changing one's style of leadership to situational conditions.

Figure 1: Different Leadership Theories

2.3. THE CONCEPT OF EMPLOYEE PERFORMANCE

Since an organization's performance is what is used to judge it, the word "performance" is frequently used in all areas of management. Despite the word's frequent use, authors seldom ever clearly define it, especially when performance is the article's or book's primary subject. Employee performance is defined by Ivancevich et al. (2007) as the conduct anticipated to support organizational success. According to Adaeze (2003), employee performance is fundamentally a personal phenomenon. Environmental influences largely affect performance through their impact on the personal characteristics that determine motivation and capacity to succeed. It is the individual employee who either completes or fails to complete a task, according to the definitions of employee performance given above. It also follows that appropriate application of leadership styles as situation demands enables greater participation of the entire workforce, and can also influence both individual and organizational performance. For an organization to function, a person must put aside his personal goals, at least in part, to work towards the collective goals of the organization.

2.4. REVIEW OF EMPIRICAL LITERATURE

Bass (1997) argues that in the contemporary corporate climate, a leader may have a significant impact on their employees' performance as well as the success or failure of their organization. Kotter (1988) says that due to a fundamental shift in the business environment, leadership is becoming ever-more crucial in organizations. such as the demand for more engagement from the whole workforce and the change in competitive intensity.

Empirical research Despite widespread agreement on the importance of good leadership in raising employee performance, empirical research (Howell and Avolio, 1993; Chan, 2010) shows conflicting results on the impact of various leadership philosophies on employee performance. According to empirical data, different nations and economic sectors have different levels of specific leadership styles fit for the success of people and organizations.

Many researchers, like Lee and Chuang (2009), emphasize that a good leader not only motivates employees to increase productivity but also attends to their needs while the organization works towards its objectives. Different researchers and academics in the field have described leadership in renowned researchers in different ways.

The research (Maritz, 1995; Bass, 1997) generally agrees that leadership has a significant role in an organization's success or failure. outstanding organizations start with exceptional management, and successful organizations as a result mirror their leadership.

The study made by Gimuguni, et al. (2014) in Mbale local government of Uganda indicated autocratic, laissez-faire, and democratic were positively correlated with employee performance. The finding also revealed autocratic styles of leadership have influenced employees to perform their duties while Laissez-faire leadership caused employees delays in meeting deadlines. Despite the domination of autocratic and laissez-faire styles, the study recommended local government integrate and use the 3-leadership style.

Empirical research on the effect of leadership style on employee performance in Ethiopia is not only lacking, but also places a lot of emphasis on the banking industry and little on the industrial sector. For instance, the manufacturing industry (Omo Kuraz I sugar plant) was the subject of a study by BiqilaHirpa (2020), which discovered that democratic and laissez-faire leadership styles had favorable significant correlations with employee performance, but the autocratic style had the opposite effect. To greatly increase staff productivity, the researcher's last recommendation was for the business to adopt a democratic leadership style.

Effects of leadership style on employee performance at Medtech Ethiopia, research by Hildana Tadesse, according to the results of the descriptive statistics, Medtech Ethiopia practices democratic leadership more frequently than authoritarian and laissez-faire leadership. The outcome of the regression study likewise showed a substantial and favorable association between democratic leadership style and employee performance. The researcher concluded that the performance of the workforce was strongly impacted by the leadership style used in Medtech Ethiopia. Anwar, S.& Haider,N. (2015).

2.5. CONCEPTUAL FRAMEWORK

The study was based on a conceptual construct that shows a connection between the various leadership styles used by leaders in the study area, such as democratic and autocratic, laissez-faire, and coaching leadership styles, and their effects on employee performance. Employee performance was the dependent variable in this study, following Nuhu K, (2010). Performance was viewed as an employee's capacity to carry out organizational tasks, requirements, and objectives by strategically planning, carrying out, and finishing roles and responsibilities in the shortest amount of time feasible.
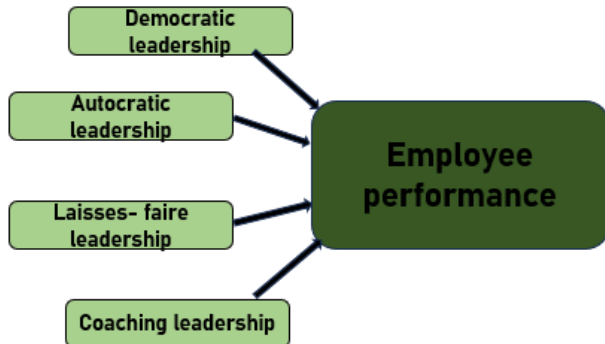
Figure 2: The conceptual framework

2.6.   RESEARCH HYPOTHESIS

H1: Democratic leadership style has a significant effect on employee performance in Ethiopian Airlines.

H2: Autocratic leadership style has a significant effect on employee performance in Ethiopian Airlines.

H3: Laissez-faire leadership style has a significant effect on employee performance in Ethiopian Airlines.

H4: Coaching leadership style has a significant effect on employee performance in Ethiopian Airlines.

CHAPTER THREE

3. RESEARCH METHODOLOGY

This chapter explains the components of appropriate methods made use of the research; thus, the chapter has incorporated the research design, population, sampling, sampling methods, data collection instruments, data analysis, reliability, and validity as well as ethical considerations.

3.1. RESEARCH DESIGN

This study has been represented by a descriptive and explanatory research design. The research design has looked at the reasons why the situation behaves the way it does and also what the weaknesses and strengths are. Descriptive research is typically concerned with describing a population concerning important variables. Explanatory research is used to establish cause-and-effect relationships between variables; it is a causal analysis concerned with the study of how one or more variables affect changes in another variable, it is therefore a study of functional relationships existing between two or more variables.

3.2. RESEARCH APPROACH

This study implemented a quantitative method for data collection and analysis. Which the component has involved surveying employees in Ethiopian Airlines using a standardized questionnaire to measure their perception of their manager's leadership styles (Democratic, Autocratic, laisses-faire, and coaching) and employee performance.

3.3. POPULATION, SAMPLE SIZE, AND SAMPLING TECHNIQUE

As per the report from the human resource management office of Ethiopian airlines the total numbers of employees are around 18,000. From these employees only 8540 of them are working in Addis Ababa and from those employees the researcher focused on only 6580 permanent staffs both working in administrative and non-administrative positions in Addis Ababa.

The sample size for this study was determined using the Green (1991) formula: n >= 50+8P, where P is the number of independent variables in the study. Therefore, the minimum required sample size for this study or regression analysis should be 82, but in this analysis, 135 samples were considered, which is more than the minimum required.

The researcher has employed a random sampling technique in this study. A random sample of respondents has been taken during the data collection period. From the staff inventory, the researcher has selected a sample of 135 from the population. The persons who were the study participants (i.e., a representative sample) were carefully chosen using random selection techniques.

3.4. DATA SOURCE TYPE

The sources of the data for this study have comprised both primary and secondary sources of information. Primarily data was collected by using various data collection instruments or tools. The respondents were the permanent employees working in administrative and non-administrative areas in Ethiopian Airlines Company. Secondary data was gathered by reviewing different publications and journals.

3.5. DATA COLLECTION METHOD

The data collection method considered the current leadership styles and its effect on employee performance was investigated using a structured questionnaire based on 5 points Likert Scale rating from 1 (strongly disagree) to 5 (strongly agree) for independent variable leadership styles and from 1(strongly disagree) to 5(strongly agree) for the dependent variable employee performance. The intent of questionnaire was to gather quantitative data about subordinate employees' feelings or perceptions of the leadership style of their immediate supervisor/leader and employee's self-assessment of their job performance in the company. Thus, data for this study was collected using a structured self-complete research questionnaire/population survey which was distributed via Google Forms to the target population and received feedback within a few days. Primary data was collected from the subject of the study. Accordingly, the data collected using the questionnaire was checked for consistency and completeness before the analysis was made.

3.6. DATA ANALYSIS

This study has attempted to gather information by utilizing various methods of data collection from various sources. A closed-ended questionnaire was used to collect quantitative data, The data collected from questionnaire was properly organized and codified. Following this, the coded data was fed to SPSS Version 20 software program and then presented by descriptive (percentage, frequency, mean & Standard deviation.) & inferential (correlation & multiple linear

regression). With the formula written below

$P = \alpha + \beta_1(\text{Democratic}) + \beta_2(\text{autocratic}) + \beta_3(\text{laissez-faire}) + \beta_4(\text{coaching}) + \varepsilon$

Where - P is the dependent variables

β - represents the independent variables

3.7. VALIDITY AND RELIABILITY

The degree to which a measure truly conveys what it is intended to is known as validity. It is concerned with how accurately the measure defines the idea. As a result, this study attempted to address validity by a review of the literature and the adaptation of instruments from earlier studies.

Reliability, on the other hand, is focused on the item's internal consistency. The degree to which a variable or group of variables is consistent in what it is used to assess is what Hair (2007) defines as dependability. Cronbach alpha reliability tests were used to conduct internal consistency analysis because all variables in the current study employ multiple items.

According to Duffy and Kilbourne (2001), Cronbach measures how consistently participants respond to questions on a scale. According to Duffy et al. (2001), a high (higher than 70) denotes that the scale's items are assessing the same construct. Cronbach values will be generated using SPSS version 20. We can conclude the internal consistency based on the reliability analysis's findings.

3.8. ETHICAL CONSIDERATION

The University has provided ethical clearance. The respondents have been warmly respected, with an explanation of the objective of the questionnaire and the right to accept or reject engaging in the research activities provided to this study's respondents beforehand.

In the selection of subjects, the researcher was free of bias and discrimination based on gender, social group, or ethical group. The respondents were assured that the information they provided had been kept confidential and not been shared with any third party.

CHAPTER FOUR

4. DATA PRESENTATION, ANALYSIS AND INTERPRETATION

4.1. INTRODUCTION

This chapter consists of presentation, analysis and interpretation of data gathered through structured questionnaire. First the demographic characteristics of respondent and research questions were presented using descriptive statistics. After that correlation & multiple linear regression analysis of the questionnaire were presented using inferential statistics.

This study was conducted by sending a standardized questionnaire via google forms to a list of 145 employees given by the HR office of the Ethiopian airlines and received a 93% response rate which were used for analysis and interpretation.

The sample size for this study was determined using the Green (1991) formula: $n \geq 50+8P$, where P is the number of independent variables in the study. Therefore, the minimum required sample size for this study or regression analysis should be 90, but in this analysis, 135 samples were considered, which is more than the minimum required.

Democratic leadership style was measured with four questions with a Cronbach's alpha value of .254. Autocratic leadership style was measured with six questions with a Cronbach's alpha value of .100. Laissez-faire leadership style was measured with five questions with a Cronbach's alpha value of .842. Coaching leadership style was measured with four questions with a Cronbach's alpha value of .938. The low Cronbach's alpha values associated with democratic and autocratic leadership styles may be associated with low inter-item correlation or a smaller number of items.

Employee performance was measured with five five-point Likert scale questions with a Cronbach's alpha value of .904. The four leadership styles that are assumed to affect employee performance were also measured using five-point Likert scale questions.

For further analysis, four dependent variables (democratic, autocratic, laissez-faire, coaching) and one dependent variable (employee performance) were generated by adding each item measuring the four leadership styles and employee performance.

4.2. SOCIO DEMOGRAPHIC CHARACTERISTICS

The majority, 91 (67.4%), of the study participants are male, 83 (61.5%) are in the age group 26–30, 75 (55.6%) have a second degree or above, and 98 (72.6%) have served the organization for at most 5 years.

Table 1. Demographic characteristics

Variables	Categories	n (%)
Gender	Female	44(32.6)
	Male	91(67.4)
Age in Years	18-25	17(12.6)
	26-30	83(61.5)
	31-35	25(18.5)
	36-40	10(7.4)
Highest level of Education	First Degree	60(44.4)
	Second Degree and Above	75(55.6)
Years Serving in the Organization	1-5	98(72.6)
	6-10	31(23.0)
	11-15	5(3.7)
	Above 15	1(.7)

Source: Own survey, 2024

4.3. Descriptive summary measures of Leadership Styles and Employee Performance

A descriptive summary of the items measuring employees' performance and the four leadership styles, including the overall measurement for each of the five variables and the correlation between the leadership styles and employee performances, is presented below.

Overall, on average, the study participants had a response that was above neutral (3) in each of the four leadership styles and employee performance.

Overall, the democratic style has an average of 13.59, which is more than the neutral 12, and except for the first item, the study participants on average replied more than 3 to each item.

Overall, the autocratic style has an average of 19.19, which is more than the neutral 18, and except for the third and fifth items, the study participants on average replied more than 3 to each item.

Overall, the laissez-faire style has an average of 16.44, which is more than the neutral 15, and the study participants on average replied more than 3 to each item.

Overall, the coaching style has an average of 14.24, which is more than the neutral 12, and the study participants on average replied more than 3 to each item.

Overall, employee performance has an average of 19.90, which is more than the neutral 12, and the study participants on average replied approximately 4 to each item.

There is a statistically significant low (.3–.5) up to moderate (.5–.7) positive correlation between employee performance and the four leadership styles. That is, an increase in the score of the leadership styles will have an effect on the employee's performance. Coaching style has the highest correlation (.637), whereas autocratic has the lowest correlation (.392).

4.3.1. DEMOCRATIC LEADERSHIP STYLE

Table 2. *Democratic leadership style*

Leadership Style	Items	Mean (Sd)
Democratic	My supervisor/manager Includes me in decision making but retains final decision-making authority.	2.44(1.069)
	My manager creates an environment where I take responsibility and ownership of my work.	3.79(1.135)
	My manager provides me frequent and supportive communication.	3.69(1.116)
	In my managers view to be a good leader is to give guidance without pressure.	3.67(1.071)
	Overall.	3.3975(2.44)

Source: Own survey, 2024

According to the table 4.3.1 Responses to questions for democratic leadership style was described as follows; for the first item "My supervisor/manager Includes me in decision making but retains final decision-making authority." the mean value is 2.44 and the SD is 1.069. For the second item "My manager creates an environment where I take responsibility and ownership of my work." The mean vale is 3.79 and the SD is 1.135. The third item "My manager provides me frequent and supportive communication." The mean value is 3.69 and the SD is 1.116. For the fourth item "In my managers view to be a good leader is to give guidance without pressure." The mean value is 3.67 and the SD is 1.071. The overall mean value for democratic leadership style is 3.3975 and standard deviation is 2.44.

4.3.2. AUTOCRATIC LEADERSHIP STYLE

Table 3. Autocratic leadership style

Leadership Style	Items	Mean (Sd)
Autocratic	My supervisor Closely monitors me to ensure that I am performing correctly.	3.47(1.071)
	My supervisor doesn't give time to consider my suggestions.	3.50(1.092)
	I am not permitted to make decisions that have not been approved by my supervisor beforehand.	2.97(1.085)
	My supervisor believes that employees must be given rewards or punishments in order to motivate them to achieve organizational objectives.	3.02(.934)
	Whenever I make a mistake, my supervisor makes a note on it and tells me not to do it again.	2.72(1.048)
	My manager believes effective leaders give orders and clarify procedures.	3.52(1.036)
	Overall.	4.7975(2.675)

Source: Own survey, 2024

According to the table 4.3.2 Responses to questions for Autocratic leadership style was described as follows; for the first item "My supervisor Closely monitors me to ensure that I am performing correctly." the mean value is 3.47 and the SD is 1.071. For the second item "My supervisor doesn't give time to consider my suggestions." The mean vale is 3.50 and the SD is 1.092. The third item "I am not permitted to make decisions that have not been approved by my supervisor beforehand." The mean value is 2.97 and the SD is 1.085. For the fourth item "Whenever I make a mistake, my supervisor makes a note on it and tells me not to do it again." The mean value is 3.02 and the SD is .937. the fifth item "Whenever I make a mistake, my supervisor makes a note on it and tells me not to do it again." Mean value is 2.72 and SD is 1.048. For the last item "My manager believes effective leaders give orders and clarify procedures." Mean value is 3.52 and SD is 1.036. The overall mean value for autocratic leadership style is 4.7975 and the standard deviation is 2.675

4.3.3. LAISSES- FAIRE LEADERSHIP STYLE

Table 4. Laissez-faire leadership style

Laissez-Faire	In complex situations, my manager let subordinates work problems out on their own.	3.29(.999)	.502*
	My supervisor gives me complete freedom to solve problem on my own.	3.41(1.032)	
	My supervisor stays out of the way as I do my work	3.21(1.095)	
	As a rule, my manager allows subordinates to appraise their own work.	3.30(1.127)	
	My manager believes in most situations, workers prefer little input from my supervisor.	3.23(1.065)	
	Overall.	4.11(4.164)	

Source: Own survey, 2024

According to the table 4.3.3 Responses to questions for Laissez-faire leadership style was described as follows; for the first item "In complex situations, my manager let subordinates work problems out on their own." the mean value is 3.429 and the SD is .999. For the second item "My supervisor gives me complete freedom to solve problem on my own." The mean vale is 3.41 and the SD is 1.032. The third item "My supervisor stays out of the way as I do my work" The mean value is 3.21 and the SD is 1.095. For the fourth item "As a rule, my manager allows subordinates to appraise their own work." The mean value is 3.30 and the SD is 1.27. the fifth item "My manager believes in most situations; workers prefer little input from my supervisor." Mean value is 3.23 and SD is 1.065. The overall mean value for Laissez-faire leadership style is 4.11 and the standard deviation is 4.164

4.3.4. COACHING LEADERSHIP STYLE

Table 5. *Coaching leadership style*

Coaching	My manager guides me to use my full potential.	3.59(1.242)	.637*
	My manager is forward-thinking and helps plan for future.	3.56(1.207)	
	My manager is flexible and adapts to the needs of other subordinates.	3.51(1.227)	
	My manager provides guidance and support equally to all subordinates.	3.59(1.199)	
	Overall.	3.56(4.480)	

Source: Own survey, 2024

According to the table 4.3.4 Responses to questions for Coaching leadership style was described as follows; for the first item "My manager guides me to use my full potential." the mean value is 3.59 and the SD is 1.242. For the second item "My manager is forward-thinking and helps plan for future." The mean vale is 3.56 and the SD is 1.207. The third item "My manager is flexible and adapts to the needs of other subordinates." The mean value is 3.51 and the SD is 1.227. For the fourth item "My manager provides guidance and support equally to all subordinates." The mean value is 3.59 and the SD is 1.199. The overall mean value for Coaching leadership style is 3.56 and standard deviation is 4.480.

4.3.5. EMPLOYEE PERFORMANCE

Table 6. *Employee Performance*

Employee Performance	I put in additional effort to complete daily and new tasks.	4.01(.989)	1.00
	I am motivated to accomplish my job.	3.96(1.105)	
	I keep up with the excepted performance level or standard of my company	4.04(1.061)	
	The quality of my performance compared to the standard set by the company is good	4.01(1.033)	
	My working environment influence my work productivity.	3.90(1.167)	
	Overall.	3.984(4.556)	

Source: Own survey, 2024

According to the table 4.3.5 Responses to questions for Employee performance leadership style was described as follows; for the first item "I put in additional effort to complete daily and new tasks." the mean value is 4.01 and the SD is .989. For the second item "I am motivated to accomplish my job." The mean vale is 3.96 and the SD is 1.105. The third item "I keep up with the excepted performance level or standard of my company" The mean value is 4.04 and the SD is 1.061. For the fourth item "The quality of my performance compared to the standard set by the company is good" The mean value is 4.01 and the SD is 1.033. the fifth item "My working environment influence my work productivity." Mean value is 3.90 and SD is 1.067. The overall mean value for Employee performance is 3.984 and the standard deviation is 4.556

4.4. CORRELATION AND TEST OF HYPOTHESIS

Table 7. Correlation Matrix between Democratic, Autocratic, Laissez-Faire, Coaching, and Employee Performance

		Democratic	Autocratic	Laissez-faire	Coaching	Performance
Democratic	Pearson Correlation	1	.621	.557	.783	.597
	Sig. (1-tailed)		.000**	.000**	.000**	.000**
	N	135	135	135	135	135
Autocratic	Pearson Correlation	.621	1	.351	.618	.392
	Sig. (1-tailed)	.000**		.000**	.000**	.000**
	N	135	135	135	135	135
Laissez-faire	Pearson Correlation	.557	.351	1	.628	.502
	Sig. (1-tailed)	.000**	.000**		.000**	.000**
	N	135	135	135	135	135
Coaching	Pearson Correlation	.783	.618	.628	1	.637
	Sig. (1-tailed)	.000**	.000**	.000**		.000**
	N	135	135	135	135	135
Performance	Pearson Correlation	.597	.392	.502	.637	1
	Sig. (1-tailed)	.000**	.000**	.000**	.000**	
	N	135	135	135	135	135

**. Correlation is significant at the 0.05 level (1-tailed).

All the correlation between the leadership style and employee performances are significant (p-value < 0.05), which indicates that all the four hypothesis that states that the leadership styles are affecting employee performance are accepted.

There is a statistically significant moderate (.597) positive correlation between democratic leadership style and employee performance. An increase in the score of democratic leadership style will have an increase effect on employee performance. Autocratic leadership style has a (.392) positive correlation towards employee performance, As for Laissez-faire leadership style it has a (.502) positive correlation with employee performance. Coaching leadership style has a statistically significant (.637) positive correlation with employee performance.

4.5. REGRESSION ASSUMPTION TESTS

4.5.1. Normality Test

The histogram shows that there is no deviation from normality. Though the normal probability plot shows a slight deviation from normality, it is not serious, and the data can be considered normal.

Figure 3. Normality test Graph
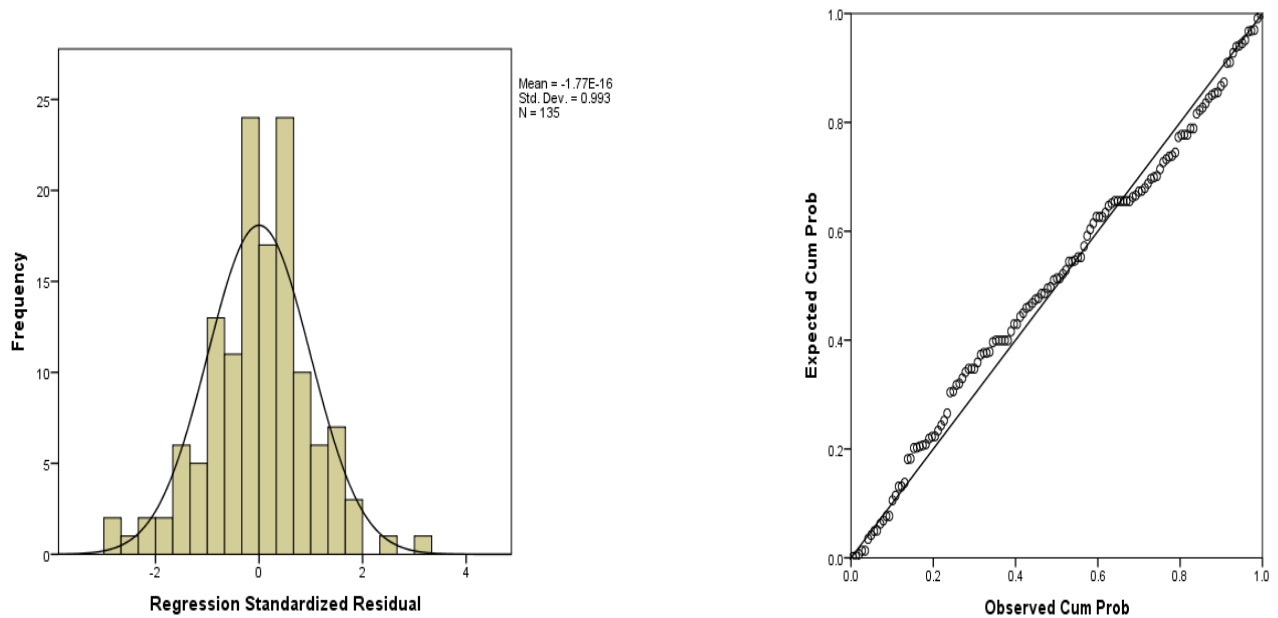
4.5.2. HOMOSCEDASTICITY OF VARIANCE (Constancy of Error Variance) TEST

To test for homoscedasticity of variance, a scatter plot of the predicted values of performance and the residual values are plotted. The data does not have an obvious pattern; that is, the scatter plot shows a constant movement and indicates that there is no violation of homoscedasticity of variance or constancy of error variance.

Figure 4. *Constancy of Error Variance Test*
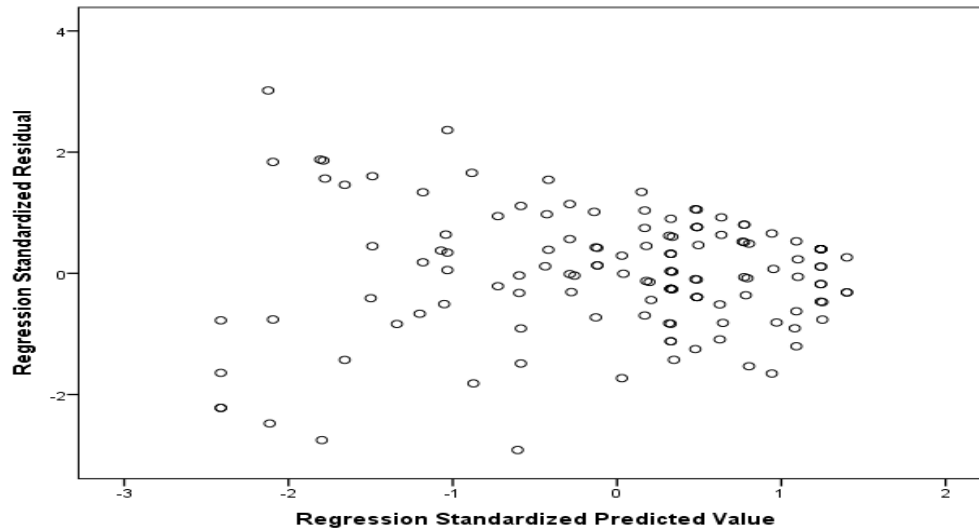
4.5.3. INDEPENDENCE OF THE ERROR TERM TEST

The Durbin-Watson statistic is used to test for autocorrelation in a regression model. This test is used to check whether the error terms are uncorrelated. The DW statistic ranges from zero to four, with a value of 2.0 indicating zero autocorrelation, that is, the error terms are uncorrelated. Values below 2.0 mean there is a positive autocorrelation, and values above 2.0 indicate a negative autocorrelation. In this study, the DW statistic is approximately close to 2, which is 2.122, which indicates that the error terms are uncorrelated.

4.5.4. TEST OF MULTICOLLINEARITY

All the variance inflation factors are below 10, which indicates that there is no issue of multicollinearity.

4.6. MULTIPLE LINEAR REGRESSION

In the multiple regression, the four leadership styles—democratic, autocratic, laissez-faire, and coaching—were considered as factors influencing employee performance. That means the assumption is that employee performance is dependent on the four leadership styles.

The results of the multiple linear regression revealed that only democratic and coaching leadership styles have a statistically significant (p-value <0.05) effect on employee performance. Whereas, autocratic and laissez-faire leadership styles do not have a statistically significant (p-value >0.05) effect on employee performance.

Therefore, the interpretation of results is based on the final model, which includes democratic and coaching leadership styles. The results of the multiple regression revealed that the model fits the data well. The p-value corresponding to the overall model test is <0.05, which indicates that democratic and coaching leadership styles can reliably predict employee performance.

All the variance inflation factors are below 10, which indicates that there is no issue of multicollinearity. The adjusted R square is .423, which means the variables in the study describe about 42% of the variability in employee performance; the remaining unexplained 57% may be due to variables not considered here or to uncontrolled factors. Both democratic and coaching leadership styles have a positive effect on employee performance.

The coefficient corresponding to democratic style is .475, which indicates that by holding coaching leadership styles constant or fixed, employee performance will increase by .475 for a unit increase in democratic leadership style.

The coefficient corresponding to coaching leadership style is .446, which indicates that holding democratic style constant or fixed, employee performance will increase by .446 for a unit increase in coaching leadership style.

The standardized coefficients showed that the coaching leadership style was more influential on employee performance.

	Regression Coefficients				
	β (Unstandardized)	SE	β (Standardize)	t-value	p-value
Intercept	7.108	1.783		3.987	.000*
Democratic	.475	.197	.254	2.409	.017*
Coaching	.446	.107	.438	4.152	.000*

*p-value <.05 (Significant)

The predicted model can be presented as follows:

Employee Performance= 7.108 + .475*Democratic + .446*Coaching

Based on the findings of the regression analysis among the four hypotheses only two of them; Democratic and Coaching leadership styles are found to be statistically significant.

4.7. EVIDENCES FROM THE SPSS

4.7.1. FIRST MODEL INCLUDING THE FOUR LEADERSHIP STYLES

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.667[a]	.445	.428	3.446

a. Predictors: (Constant), Coaching, Autocratic, Laissez-faire, Democratic

The table above shows, R square is .445 and the adjusted R square is .428

ANOVA[a]

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	1237.715	4	309.429	26.052	.000[b]
	Residual	1544.033	130	11.877		
	Total	2781.748	134			

a. Dependent Variable: Performance

b. Predictors: (Constant), Coaching, Autocratic, Laissez-faire, Democratic

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	7.162	2.513		2.849	.005		
	Democratic	.465	.207	.249	2.249	.026	.347	2.878
	Autocratic	-.087	.148	-.051	-.586	.559	.563	1.776
	Laissez-faire	.151	.093	.138	1.623	.107	.588	1.701
	Coaching	.393	.120	.387	3.273	.001	.306	3.273

a. Dependent Variable: Performance

4.8. DISCUSSION OF FINDINGS

This study assessed whether Democratic, Autocratic, Laissez- faire and Coaching leaderships have an effect on Employee performance. A survey instrument tool (questionnaire) was developed and distributed to 135 employees of the companies via Google forms. The findings showed that for most of the questions the study participants replied more than average (>3). The test of hypothesis indicates that (democratic, Autocratic, Laissez-faire and coaching) leadership styles are positively correlated with Employee performance. The other inferential analysis, regression analysis shows that Democratic leadership stye and coaching leadership style have a positive and significant effect on Employee performance. Whereas autocratic and Laisses- faire leadership styles do not have a significant effect on employee performance.

CHAPTER FIVE

5. SUMMARY, CONCLUSIONS, RECOMMENDATION

5.1. SUMMARY OF THE MAJOR FINDINGS

The demographic characteristics of respondents of the companies show that the majority of respondents are male (67.4 %). Also, most of the respondents are between 26 and 30 years old (61.5). Most respondents are well educated with majority of the respondents having a second degree (55.6). In addition, the study reveals that the respondents have been working in the company for more than 5 years (72.6).

From the descriptive analysis result, Democratic leadership style has mean of 13.59 and S.D 2.44, Autocratic leadership style has mean of 19.19 and SD of 2.675, Laiessez-faire leadership style has a mean of 16.44 and a SD of 4.164, coaching leadership style has a mean of 14.24 and a SD of 4.480 and Employee Performance has a mean of 19.90 and SD of 4.556.

From the correlation analysis there is a statistically significant low (.3–.5) up to moderate (.5–.7) positive correlation between employee performance and the four leadership styles.

The results of the multiple linear regression revealed that only democratic and coaching leadership styles have a statistically significant (p-value <0.05) effect on employee performance. Whereas, autocratic and laissez-faire leadership styles do not have a statistically significant (p-value >0.05) effect on employee performance.

5.2. CONCLUSION

Further study is crucial in order to give a strong conclusion regarding the effect of leadership styles on employee performance by minimizing different limitations of this study.

The finding from the multiple linear regressions results shows that the study reveals coaching leadership style have significant positive effect on the performance of employees in Ethiopian Airlines company.

The studies tested the hypothesis and concluded as follows:

1. Democratic leadership style has a positive significant effect on employee performance
2. Autocratic leadership style doesn't have a positive significant effect on employee performance
3. Laissez-faire leadership style doesn't have a significant effect on employee performance
4. Coaching leadership style has a positive significant effect on employee performance

5.3. RECOMMENDATION

- Based on the researchers results the company should maintain or promote the democratic leadership style because it has a significantly positive effect on employee performance.

- Coaching leadership style from the results had the most significant effect on employee performance so the researcher suggests the company's managers to maintain and future enhance this style to better increase employee performance.

- Further study should be done by increasing the independent variables to get a stronger result.

- Further study should consider studying other variables that might have an effect on employee performance.

- To raise the bar for worker performance at Ethiopian Airlines The management team should create a routine to improve the use of coaching and democratic leadership style with staff members. Employee assistance and care should be given top attention if workers are a company's greatest asset. In order to properly assess its workforce and strategically integrate them into its operations, Ethiopian Airlines should communicate its goal to its staff and strengthen their feeling of purpose.

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ST MARY'S UNIVERSITY

SCHOOL OF GRADUATE

DEPARTMENT OF BUSINESS ADMINISTRATION

QUESTIONNAIRE

Information for participants: The purpose of this study is entirely academic, with the goal of assessing the effect of Leadership Style on Employee Performance in the case of Ethiopian airlines company, I assure you that all information you disclose to the study will be kept strictly confidential. Filling out this questionnaire won't take more than 10 – 15 minutes.

Your genuine, frank and timely responses will have immense contribution for the success of the study.

Thank you very much!

SECTION A: Socio-Demographic Data

1. Sex: MALE ☐

2. FEMALE ☐

3. Age category:

18 - 25 years ☐   26 -30 years ☐

31 -35 years ☐   36 -40 years ☐

41 -45 years [   ]   > 45 years [   ]

4. What is the highest level of education you achieved?

Grade 12 complete [   ]   Certificate [   ]

College Diploma [   ]   1st degree: [   ]

2nd degree & above [   ]

5. For how many years have you worked in this organization?

1-5 years [   ]   6 – 10 years [   ]

11- 15 years [   ]   16 -20 years [   ]

21 – 25 years [   ]   above 25 years [   ]

SECTION B: Questions related to leadership style and employee performance

Instruction

The sets of statements aimed at helping you assess your own performance. You are requested to rate yourself against each statement to indicate your level of agreement with what the statement is suggesting, where the Likert scale ratings were used as the following: 1 = Strongly Disagree, 2= Disagree, 3 =Neutral, 4= Agree and 5 =strongly agree. (Put only 'X' on the answer for each statement that most closely represents your observations)

No.	DEMOCRATIC LEADERSHIP STYLE	1	2	3	4	5
1.	My supervisor/manager Includes me in decision making but retains final decision-making authority.					
2.	My manager creates an environment where I take responsibility and ownership of my work.					
3.	In my managers view to be a good leader is to give guidance without pressure.					
4.	My manager provides me frequent and supportive communication.					
	AUTOCRATIC LEADERSHIP STYLE					
5.	My supervisor Closely monitors me to ensure that I am performing correctly					
6.	My supervisor doesn't give time to consider my suggestions.					
7.	I am not permitted to make decisions that have not been approved by my supervisor beforehand.					
8.	My supervisor believes that employees must be given rewards or punishments in order to motivate them to achieve organizational objectives.					
9.	Whenever I make a mistake, my supervisor makes a note on it and tells me not to do it again					
10.	My manager believes effective leaders give orders and clarify procedures.					
	LAISSEZ- FAIRE LEADERSHIP STYLE					
11.	In complex situations, my manager let subordinates work problems out on their own.					
12.	My supervisor gives me complete freedom to solve problem on my own.					

13.	My supervisor stays out of the way as I do my work					
14.	As a rule, my manager allows subordinates to appraise their own work.					
15.	My manager believes in most situations, workers prefer little input from my supervisor.					
	COACHING LEADERSHIP STYLES					
16.	My manager guides me to use my full potential.					
17.	My manager is forward-thinking and helps plan for future.					
18.	My manager is flexible and adapts to the needs of other subordinates.					
19.	My manager provides guidance and support equally to all subordinates.					
	EMPLOYEE PERFORMANCE					
20.	I put in additional effort to complete daily and new tasks					
21.	I am motivated to accomplish my job					
22.	I keep up with the excepted performance level or standard of my company					
23.	The quality of my performance compared to the standard set by the company is good					
24.	My working environment influence my work productivity					