

**WOLKITE UNIVERSITY**

**COLLAGE OF BUSINESS AND ECONOMICS**

**DEPARTEMENT OF MANAGEMENT**



**ASSESSEMENT OF THE RELATIONSHIP OF LEADERSHIP  
STYLE AND WORK ENVIRONMENT (INCASE OF  
COMMERCIAL BANK OF ETHIOPIA IN WOLKITE BRANCH)**

**PREPARED BY: ASNAKE GETACHEW  
ADVISOR: MR SAMUEL GEMECHU**

**JUNE, 2019**

**WOLKITE, ETHIOPIA**



## **ACKNOWLEDGEMENT**

First of all my heart felts to thank almighty GOD who helps me on all of my life activities whose offerings ,forgiveness and grateful helps are precious forever.

Next I would like to express my sincere and heart full and special thanks to my Advisor Mr. Samuel Gemechu Who gave his time and energy to read the paper and make valuable professional advice and also constructive comment, finally my deepest and heart full graduate goes my family who supported me for moral and monetary during my education.

## ***ABSTRACT***

*The senior essay on the assessment of leadership style and work environment in case of wolkite branch. Leadership is a social relationship between two or more people in which the leader influence the social knowledge goal acceptance and actions of the follower, goals and define ways to active them, they use powers and persuading to ensure that followers have the motivation and role clarify to achieve specific goals Leaders also arrange to work environment such as allocating resources and altering communication patterns so that employees can achieve corporate objectives more easily, it also plays role in the activity of efficient and effectiveness of performance of the employee on work environment. Work environment can involve the social interactions at the workplace, including interactions with peers, subordinates, and managers. The objective of this study was to assess the relationship of leadership styles and work environment. All necessary data has been gathered from primary and secondary source of data. The primary data was collected through interview and questionnaires because they are most appropriate instrument to collect relevant data through census method and to identify major problems of leadership that affect performance of employee. The Research would use descriptive analysis to analyze the necessary data that would be collected from organization for both primary and secondary method of data collection. Finally the collected data was analyzed, interpreting and presented using percentage and tabular forms, then the finding, conclusion and recommendation was made for this study.*

## **ACRONYME**

**CBE----- Commercial Bank of Ethiopia**

## Table of Contents

ACKNOWLEDGEMENT .....	i
<i>ABSTRACT</i> .....	ii
ACRONYME.....	iii
CHAPTER ONE .....	1
INTRODUCTION.....	1
1.1 Back ground of the study .....	1
1.2 STATEMENT OF PROBLEM .....	2
1.3 Research questions .....	2
1.4. OBJECTIVES OF THE STUDY .....	2
1.4.1. General Objective .....	2
1.4.2 Specific objectives .....	2
1.5. SIGNIFICANCE OF THE STUDY .....	3
1.6 THE SCOPE OF THE STUDY .....	3
1.7 Limitation of the study .....	3
CHAPTER TWO .....	4
REVIEW OF RELATED LITRTURES .....	4
2.0 Definition of Leadership .....	4
2.1 TYPES OF LEADERSHIP .....	5
2.2 THE IMPORTANCE OF LEADERSHIP .....	9
2.3 List of good leadership qualities .....	11
CHAPTER THREE .....	13
3. METHODOLOGY .....	13
3.1 Research Design.....	13
3.2 Types and sources of data .....	13
3.3 Data collection method.....	13
3.4 Sampling design .....	13
3.5 Sampling techniques .....	13
3.6 Data Presentation and Interpretation .....	14

3.7 Data analysis and processing.....	14
CHAPTER FOUR.....	15
DATA PRESENTATION AND ANALYSIS.....	15
4.10 analysis of interview Reponses .....	23
chapter five.....	24
5. conclusion and recommendation.....	24
5.1 conclusion.....	24
5.2. recommendation .....	26
Reference .....	27
Appendix: - one.....	viii
Appendix two.....	xi

## List of Table

Table4.1 Distribution of respondents by gender, age, marital status and educational level .....	15
Table 4.2 Leadership style has a direct impact on work environment .....	15
Table 4.3 the importance of leadership style in work environment .....	17
Table 4.4 Decision flow in the organization. ....	17
Table 4.5 the effect of decision made in the Organization or reason .....	18
Table 4.6 Preferable leadership style for a specific work environment .....	19
Table 4.7 types of leadership style on work environment.....	20
Table 4.8 Problems related to leadership style and work environment .....	21
Table 4.9 Important of leadership style in work environment. ....	22





# CHAPTER ONE

## INTRODUCTION

### **1.1 Back ground of the study**

Leadership is the process of influencing people and providing an environment to achieve and organizational objectives. In the process there are practices of planning, work allocation, organizing-controlling and decision making. In the progress to the modern word business companies' government, organizations and public enterprises regardless of their size and nature are facing challenges in computing for existence. (Mc Shane, 2000, 432).

In many business leadership is welded to the performance, leadership is the process of influencing people and providing an environment for them the activities teamed the organization. In fielder's constituency theory which suggest that leadership styles must fit or match the situation in order to be effective is the best known, leadership is the art of motivating a group of people to act to words achieving a goal but even more simply leadership is the inspiration director of the action (Nelson, 1984, 431). The groups that possess the combination of personality and skills that make others to follow his or her direction, it also involves communicating inspiring and supervising Leadership is a winning combination of person traits and the ability to think act like a leader, Anyone can be leader even if the only persons they are leading is themselves (Nelson,1984)

Leadership is important for function of management which helps to maximize efficiently and to achieve organizational goals; leadership of the organization mainly involves modeling. The vision forming team, influencing them and aligning people to achieve set goals Leadership bears the responsibility of inspiring people and producing meaningful changes in the organization good leadership entails the ability to articulate a vision align the people talents and efforts of the company's direction and keeping them focused on set vision by motivating and persuading them,(Richard 1995,372).

## **1.2 STATEMENT OF PROBLEM**

Leadership is weld to performance. Effective leaders is increase their company's bottom lines leadership is also the art of motivating a group of people to act towards achieving a common goal, a good leader is the one who has made a lasting impact on people who is not commanding. Where bad leader is a person in leadership that lacks the necessary skill, ability and overall quantities to effectively, Now a day every organization has its own objectives one of the activity that is influencing people to corporate toward some goals is good leadership, most organization have problems such as lack of transparency, poor performance, etc.

Work environment can involve the social interactions at the workplace, including interactions with peers, subordinates, and managers. Generally, and within limits, employees are entitled to a work environment that is free from harassment. A hostile work environment exists when unwelcome behavior interferes with an employee and leader that will create bad work environment and creates a hostile intimidating or offensive work environment.

The factors that motivate the student researcher to study is that, the workers are often complaining about the collision occurs with their leader and them. So the researcher is trying to investigate the relationship of leadership style and work environment the following basic questions

### **1.3 Research questions**

- 1) What is the importance of leadership style in work environment?
- 2) What type of leadership style does the work environment prefer?
- 3) Does the leadership style have a direct impact on work environment?
- 4) What are the problems related to leadership style that affect work environment?

## **1.4. OBJECTIVES OF THE STUDY**

### **1.4.1. General Objective**

The overall objective of this study was assessment the relationship of leadership styles and work environment

### **1.4.2 Specific objectives**

- ✓ To assess the importance of leadership style in work environment
- ✓ To assess the leadership style have a direct impact on work environment

- ✓ To identify a preferable leadership style for a specific work environment
- ✓ To identify the problems related to leadership style that affect work environment

### **1.5. SIGNIFICANCE OF THE STUDY**

The research significance emanates from the general objective and specific objectives. Leadership is act of influencing and directing people in such a way that will win their obedience, confidence, free workplace, respect and loyal cooperation in achieving common objectives, Leadership is an important function of management which helps to create a good work environment to managements and employee's to achieve organizational goals thus, The study is helpful of knowing the influence of the leadership style on work environment and will explore the ways to find out how can employees work together and improve leadership structure of the organization, the study is cornerstone for other researchers ,the student researcher is beneficiary on getting knowledge, experience and advantage on conducting the different data about assess the relationship of leadership styles and work environment this study and have some the knowledge about their relationship. Also the study can be used for other organizations which are similar by taking this study and they can check themselves with identified problem and if the problem initiate on them they can take their corrective measure.

### **1.6 THE SCOPE OF THE STUDY**

The study undertakes extensive study on the problem area, however, because of time and resource constraint the study has emphasized on assessments the relationship of leadership style and work environment. Hence all would be confined to the case in wolkite branch.

### **1.7 Limitation of the study**

In spite of its significant the researcher is also bounded certain key limitations. There was limitation in conducting the study starting from designing the proposal and research. The major limitations are the following; Respondents was not willing to give the information about their work environment primary data collection. Availability of relevant written material in leadership style and work environment.

# CHAPTER TWO

## REVIEW OF RELATED LITRATURES

### 2.0 Definition of Leadership

Leadership is a social relation between two or more people in which the leader influences the social knowledge goal acceptance and actions of follower leaders affect that the followers do (Field Report; 1995,374) Leadership is the process of influencing people and providing an environment to achieve and organizational objectives (mc shane,2000,432). In corporate world leadership is undoubtedly the most important action that hands to be considered if you want to do collectively; aright man commanding the right position at the right time can do wonders. If you are working in a business environment you would certainly know about the behaviors of the leaders who are generally your managers, every leadership style has its own way of behavior and methods for getting work done, some styles may be preferred by subordinates (mc Shane 1949, 433)

Leadership occurs when one person induces others toward some predetermined objectives, is also the ability of a superior to influence the behavior of a subordinate or group and persuade than to follow a particular course of action (Chester Bernard)

Leadership is act of influencing and directing people in such a way that will win their obedience, confidence respect and loyal cooperation in achieving common objectives (Chester Bernard), Leadership is the art of motivating a group of people to act towards achieving a common goal, In business; leadership is welded to performance, effective leaders are those who increase their company's bottom lines

Leadership is a winning combination of personal traits and the ability to think and act as leader, a person who directs the activities of others for the good of all. Anyone can be a leader even if the only person they are leading in themselves (Debrall, nelson and James capbell, quick 435).

## 2.1 TYPES OF LEADERSHIP

In commercial world, leadership is the most important action that has to be considered if you want to get the works done collectively a right man commanding the right position at the right time. Can do wonders, If you are working in a business environment you would certainly be knowing about the behaviors of the leaders who are generally your managers, Every leadership style has its own way of behaviors and methods of getting the work done.

Some styles may be preferred by subordinates where other might be considered in appropriate by others, It is believed that generally there are three primary forms of leadership namely participative, Laissez faire and autocratic. However, there are many types of business leadership styles which have come up today due to change in managerial methods at the work place (Hellierigel, 338)

- 1) **Participatory leadership-** this is A style of leadership in which the leader permits subordinates to take part indecision making and also permits them a considerable degree of autonomy in completing work activities, the participative leader puts himself as a member of the team and discuss possible decisions with the team He seeks consensus before coming to a decision and everyone is supposed to take ownership in the final decision, participative leadership involves sharing information, power and influence between managers and subordinates, when the task is clear and subordinates egos are involved in the work, participative leader ship will likely contribute to satisfaction and performance only for highly independent subordinates ambiguous, ego-involving tasks, participative leadership will have positive effects on performance and job satisfaction regardless of a subordinates needs for self-esteem or achievement this type of leadership can induce employees to strive for high standards and build confidence in meeting challenging goals, especially among individuals who are working or unstructured tasks, this holds true regardless of a subordinate's needs for self-esteem or impendence
- 2) **Autocratic leadership-** It has been shown that this leadership style are likely to become dictators, also under the Autocratic leader ship style all decision making powers are centralized to the leader they do not entertain any through from them, Autocratic leadership provides strong motivation to the leader and this is shown to be true as it has been successful in the past. It is effective as it permits quick decision making as only the

one person need to decide for the whole group and this individual keeps decisions to themselves until they feel the rest of the group need to know what they are. Autocratic leader do not trust anyone and generally more task Oriented, they expect their task to be done and they do not consider their followers feelings in their decision- making.

- 3) **Laissez faire Leadership-** this type associated with leaders. That don't lead at all failing in supervising team members, resulting in lack of control and higher costs, bad service or failure to meet deadlines this style is unengaged in leadership and simply lets people do their own thing with the leader exerting few controls Free rain leaders allows. Maximum freedoms to subordinates, by leaving the group entirely to itself and does not lead them every step of the way but rather motivates them by trusting the individuals to do things themselves. Subordinates are given a freehand in deciding their own policies and methods, laissez faire or free rain-leadership is considered better than the Authoritarian style but not as effective as the democratic style.
- 4) **Charismatic leadership-** charismatic leader leads by infusing energy and eagerness in to their team members. This leader has to be committed to the organization for the long run, if the success of the division or project is attributed to the leader and not the team. Charismatic leaders may become a risk for the company by deciding to resign for advanced opportunities it bakes the company time and hard work to gain the employees confidence back with other type of leadership after they have committed themselves to the magnetism of a charismatic leader. Charismatic leadership has a dependency more on the actual force of the leader is personality as to appeal of the leader's vision, charismatic leaders have the ability put all their trust in other are able to take personal risks and are sensitive to other people needs, they also have the ability to make individuals overcome .Lack of personal belief and do more than what is. Normally expected performance, charismatic leaders have a natural ability to attack people and inspire commitment to their cause.
- 5) **Bureaucratic leadership-** is very structured and follows the procedures as they have been established, this type of leadership has no space to explore new ways to solve problems and is usually slow paced to ensure adherence to the leaders stated by the company. Leaders ensure that all the steps have been followed prior to sending it to the

next level of Authority universities, Hospitals, bank and government. Usually require this type of leader in their organizations to ensure quality increase security and decrease corruption leaders that try to speed up the process will experience frustration and anxiety.

- 6) **people-oriented leadership** - is one that in order to comply with effectiveness and efficiency, supports, train and develops his personal increasing job satisfaction and genuine interest to do a good job people-Oriented leadership is the one that in order to comply with effectiveness.
- 7) **Servant leadership**-facilitates goal accomplishment by giving its team member what they need in order to be productive this leader is an instrument. Employee use to reach the foal rather than a commanding voice that moves to change this leadership style in a manner. Similar to democratic leadership tends to achieve the results in a slower time frame than other styles although employee engagement is higher, this style based on a term coined by Report Green Leaf in the 1970s this refers to anyone who leads by meeting the needs of others or of his or her team, this leadership style is based on strong values and personal integrity, it's quick without fanfare.
- 8) **Transformational leadership**- transformational leaders who provide individualized consideration and intellectual stimulation and who possess, there are transformational leaders like Leslie Werner of the limited retail chain and jack Welch at general electric they pay attention to the concerns and developments needs of individual followers; they change followers awareness of issues. By helping them to look at old problems in new ways and they are able to excite, arouse and inspire followers to put out extra efforts to achieve group goals, transformation motives its team to be effective and efficient communication is base for goal achievement focusing the group in the final desired outcome or goal attainment, this leader is highly visible and uses chain of command to get the job done, transformational leaders focus on the big picture, needing to be surrounded by people who take care of the details. The leader is always looking for ideas that move the organization to reach the company's vision.
- 9) **The Environment leader**- is one of who nurtures group or organizational environment to affect the emotional and psychological perception of an individual's place in that group

or organization An understanding the application of group psychology and dynamics is essential for this style to be effective, the leaders at all levels, this leadership style relies on creating an education matrix where groups interactively learn the fundamental psychology of group dynamics and culture from each other, the leader uses this psychology and complementary language, to influence direction through the members of the inspired group to do what is required for the for benefit of all leadership associated with positions of Authority.

***Transactional leadership-*** transactional leaders practice what you would call management by exception and contingent reward, they set performance standards and do performance reviews to their followers transactional leadership is the traditional management function of leading transactional leaders in essence do what managers do they classify the role of employees, initiate structures and reward or punish individuals for the team performance, one individual is given the opportunity to lead the group and the group agrees to follow his lead in order to accomplish a pre-determined goal in exchange for same thing worthwhile the leader is given the power to evaluate correct and train the employees when productivity is not at the appropriate level and they are able to reward effectiveness and efficiency when the outcome expected is reached. Transaction leader is given power to perform certain tasks and reward or punish for the team's performance, it gives the opportunity to the manager to lead the group and group agrees to follow his lead to accomplish a predetermined goal in exchange for something use, power is given to the leader to evaluate correct and train subordinates when productivity is not up to the desired level and reward effectiveness when expected outcome 15 reached.

***Task-Oriented Leader-*** it focuses on the job and concentrates. On the specific tasks assigned to each employee to reach goal accomplishment this leadership style suffers the same motivation issues as autocratic leadership, showing no involvement the team's needs, it requires, close supervision and control to achieve expected results, Another name for this is dealmaker and linked to first phase in managing change enhance, according to the organize with chaos approach.

***Democratic Leader ship-*** A democratic leader Listen to teams ideas and studies them but will take or make the final decision team players contribute to the final decision thus increasing employee satisfaction and ownership, feeling their input was considered when the final decision was taken,

when Changes arises, this type of leadership. Helps the team assimilate the changes better and more rapidly than other styles, knowing they were consulted and contributed to the decision making process. Minimizing resistance and intolerance a shortcoming of this leader ship styles is that it has difficulty when decisions are needed in a short period of time or at the moment. Democratic or participative (sometimes called authoritative) this is the style that includes participation and greater equality between leader as and followers. A democratic leadership style is in the opposite spectrum of the Autocratic leadership style also known the participative, leadership style these type of leaders are generally more people oriented and the feelings and through of their followers matter to them (Lewin. Lippit and white, 1939)

## **2.2 THE IMPORTANCE OF LEADERSHIP**

The importance of leadership is a key ingredient to successful business so understanding the importance is the key in your business success leadership has so much influence in our lives because so often it determines whether we enjoy a particular experience, years of personal experience as a career military officer showed me that the army leadership manual the important of leadership best: A leader is anyone who inspires and influences people to accomplish organizational goals they motivate others to pursue actions, focus thinking and shape decisions for the greater(Mc Shane,246)

There is no such thing as a natural born leader which is why leader ship development is no important everyone can have the fundamental requirements necessary for the leadership rule. It's how they develop them that matters

Leadership development within accompany should be addressed at booth the individual and group level, individual leadership. Development can be undertaken in both hands on and a classroom environment and which method your organization chooses are entirely up to you through various. Exercises the individual learns to identify their strength and weaknesses using both the shape and meld their successful leader ship style, individual leadership development is very important is very important for individuals first entering the field and those who are having difficult time taking up the reins of command ,Group leadership development is absolutely vital in any company regardless of industry: because it teaches an executive team how to look think and act like a team, for business to run smoothly it's essential that the executive team to be able to operate a will oiled wheel cognizant of each other's patterns-, strength, weaknesses and goals

and able to work together and tossed in to the ring is going to fail almost instantly it takes time and practice, and leadership development offers the opportunity for both (Mc Shane,456)  
The following points justify the importance of leadership in a concern

**Initiates action-** leader is person who starts the work by communicating the policies and plans to the subordinates from where the work actually starts

**Motivation-** A leader proves to be playing an incentive role in the concern of working; he motivates the employees with economic and non-economic rewards and thereby gets the work from the subordinates.

**Providing guidance-** A leader has to not only supervise but also play guiding role for the subordinates, Guidance here means instructing the subordinates the way they have to perform this work effectively and efficiency

**Creating confidence-** confidence is the important factor which can be achieved through expressing the work efforts to the subordinates explaining them clearly the role and giving them guidelines to achieve the goals effectively.

**Building Morale-** Morale denotes willing cooperation of the employees to ward their work and getting them in to confidence and winning their trust. A leader can be a morale booster by achieving full cooperation so that they perform with best of their abilities as they work to achieve goals.

**Builds work Environment-** helps in sound and stable growth therefore, human relations should kept in to mind by a leader he should have personal contracts with employees and should listen to their problems and solve them, he should treat employees on humanitarian terms,(Management study)

**Co-ordination-** coordination can be achieved through reconciling personal interests with organizational goals, this synchronization can be achieved through proper and effective coordination which should be primary motivate of a leaders.

## 2.3 List of good leadership qualities

When it comes to leadership a series of characteristic symptoms tend to stand out in a crowd person. As a leader a person is expected to motivate, inspire and lead people and to all the good leadership skills needed below (Mc Shane, 246, 2009).

**good communication skills:** good communication skills have good leadership qualities comes next in the list, one to the fact that communication such as listening and writing does not include a note' has to read on effective communication skills.

**Visionary:** should then list the qualities of another feature of effective leadership-the vision of the leader helps to make it bigger future fear, leader without vision is better than a disabled commander, leader's vision of people working under him or behind him in the foresightedness grow people.

**Capacity building** for the best decision to travel to the top, a leader and followers from this team should have several important decisions. At this point in time, their decision making and analytical skills will be tested as a whole will decide the fate of the team takes.

**Team player:** he is a team working under a leader and the team success as a whole depend on the relation between its members including leader should. A leader to complete the work as a single entity should have the ability to motivate the team the leader's responsibility to create team spirit in his team

**Responsible** the success and failure are part of the life want, as a leader the one that should be ready to take responsibility success during spotlight hogging and the other member of team failures, blaming bad thing a politician possibly can.

**good sense of humor:-** in addition to various leader ship qualities, this one to protect you, as can people working under you need some embarrassing moments, nothing but-a joke all the time as much as can help reduce stress, after all, laughter, as they say is the best medicine.

**positive attitude** the past, but one of the most important quality of leadership is the ability to think positively, an optimistic leader is leading his team to success with ease, However the fair

that there is a difference between optimism and over optimism is a thin line and can create more harm than the pessimism has taken note of read more about virtues of a leader.

### **Problems related to leadership**

Some of the common problems that related to leadership' are as follows, (Boston Harvard, 2005)

- i. It is not clear exactly what behavior are indicative of leadership
- ii. Leader in organizational may have only small effects on organizational performance because there are selected from individuals very similar to each other because there are many situational constraints on their actions and because organizational performance is affected by many factors that are not side the leader strip control.
- iii. Organizational members can promoted to leadership positions not based on their performance or ability but on relevant factors such as social status.
- iv. Many problems occur because of people failing to communicate effectively-faulty communication cause problems in organizations and can cause a good plan to fail.
- v. Less motivation for employees such as, not enough of monetary growth, little or no appreciation, less work or too over loaded, late working hours, groupies and sometimes even ragging which cause the employee de-motivated and feel like quitting or reduce productivity the organization.

## **CHAPTER THREE**

### **3. METHODOLOGY**

#### **3.1 Research Design**

The purpose of this study was assessing the relationship of leadership styles and work environment the study used descriptive type of research. The reason behind choosing descriptive type of research was in order to describe the research.

#### **3.2 Types and sources of data**

The researcher has gathered the necessary data from primary sources such as employees and managers. And also it has gathered from secondary sources such as documents, references. The primary data was gathered from filled questionnaire and interview which the researcher asked the general manager of the organization, and also secondary data which was collected from documents and records that are related with the relationship of leadership style of the organization and work environment.

#### **3.3 Data collection method**

In this study, the data would be collected by using different data collection methods, the researcher used both primary and secondary data collection, In the primary data questionnaire was conducted from different employees in the organization and structured interview which asked to the general manager of the organization and this was important for gathering different information from employees in addition to secondary data was collected through organizations document and references.

#### **3.4 Sampling design**

Due to in sufficiency of resources like time, budget and other limitations to observe the entire population, the researcher was select descriptive research design.

#### **3.5 Sampling techniques**

The total number of the population in CBE wolkite branch is 36 from this 32 were male the remaining were female. The researcher collected the data from first hand by using census method from all employees of the organization and questionnaire was distributed to the employees and there is no sampling because of the number of population is too small.

### **3.6 Data Presentation and Interpretation**

After data was obtained through questionnaires in support of structured interview and observation, the data was analyzed by using table, and percentages, and the researcher would give a meaning for the figure and items that have been presented through tables, and percent. The structured interview responses were analyzed qualitatively whereas, the questionnaires quantitatively.

### **3.7 Data analysis and processing**

After data is analyze and the next process was to descriptive data analysis which was employed to examine the finding of the study, it refers to produces for organizing, summarizing and describing qualitative data, which is more descriptive of words. The relevant data that would be collected, processed and analyzed by using tables and compute percentage to show proportion.

## CHAPTER FOUR

### DATA PRESENTATION AND ANALYSIS

The researcher has used primary data for this study. The primary data's were collected from employees of CBE Wolkite branch through both open and close ended structured questionnaire with support of structured interview about the assessment of the relationship leadership style and work environment stress management in the work place. To collect the required information census method has been used. Therefore, the researcher has distributed a total of 36 questioners to the employees. Therefore, the following analysis of data is based on only by the 36 respondents.

**Table4.1 Distribution of respondents by gender, age, marital status and educational level**

**Table 4.2 Leadership style has a direct impact on work environment**

No	Question	Items	Frequency	Percentage (%)
1	Does the leadership style have a direct impact on work environment?	Yes	31	86.11%
		No	5	13.88%
		Total	36	100%
2	Do you think the company has a good work environment?	Yes	21	58.33%
		No	15	41.66%
		Total	36	100%
3	Does the leader have confidence in his or her leadership ability?	Yes	25	69.44%
		No	11	30.55%

		Total	36	100%
4	In the organization are all employees participating equally in decision making?	Yes	23	63.88%
		No	13	36.11%
		Total	36	100%

Source; own survey 2019

From the above table 4.2 question one, 86.11% of the respondents said yes, that means the leadership style have a direct impact on work environment think leadership style does have a direct impact on the work environment and the remaining 13.88% of the respondents said No that means, leadership style does not have a direct impact on work environment. From this the researcher conclude that leadership style does have a direct impact on the work environment.

From the above table 4.2 question two, 58.33% of the respondents said yes that means the company has a good work environment and 41.66% of respondents were said NO, that means that the company's work environment have a good work environment. From these the researcher understand that the organization most of the time have good work environment

As indicated the above table question three 69.44% of the respondents were said yes the leader have confidence in his or her leadership ability believe that their leader have confidence in his or her leadership ability, and 30.55% of the respondents were said No believe that their leader have not confidence in his leadership ability. Therefore the majority leader have ability to lead the organization.

The table above question four shows that 63.88% of the respondents were said yes, all the organization employee participate equally in decision making, and 36.11% of the respondents were said No. From these the researcher conclude that most of the time all people participate equally in decision making in the organization and they have good participation in decision making.

**Table 4.3 the importance of leadership style in work environment**

NO	QUESTION	Item	Respondents	Percentage (%)
5	To what extent do your leaders understand employees' needs and problems?	Very well	2	5.55%
		Moderate	13	36.11%
		Neutral	4	11.11%
		Rare	8	22.22%
		Not at all	9	25%
		Total	36	100%

Source; own survey 2019

From the above table 4.3, 36.11% of the respondents were moderate level on leaders understanding employees' needs and problems, 25% of the respondents were said not at all believe that leader understanding employees' needs and problems, 22.22% of the respondents were said rare on the leader understanding employees' needs and problems, 11.11% of the respondents were neutral and 5.55 on the leader understanding employees' needs and problems is very well. From these the researcher understands that the organization found most of the time in moderate level on leaders understanding employees' needs and problems.

**Table 4.4 Decision flow in the organization.**

NO	Question	Items	Frequency	Percentage (%)
6	How are the decisions made in the organization?	Top-down	26	72.22%
		Bottom-up	10	27.77%
		Total	36	100%

Source; own survey 2019

In the above table 4.4 72.22% of the respondents believe that Top-down decision making is applied at the organization and 27.77% of the respondents believe that Bottom-

up decision making is applied at the organization this means that the organization most of the time apply to-down decision making approach.

**Table 4.5 the effect of decision made in the Organization or reason**

NO	Question	Items	Frequency	Percentage (%)
7	Based on the above question, if your Answer is “B” what is the effect?	Encourage employee participation	2	20%
		Create accountability	2	20%
		New ideas and changes proposed by group are welcomed	5	50%
		Encouragement of employee decision making and assumption	1	10%
		Total	10	100%
8	If the answer was “A” What was your reason?	Problems are only solved by the management	10	38.46%
		Subordinates usually feel that decision making is the manager job	4	15.38%
		Managers have lack of confidence in their subordinates	12	46.15%
		Total	26	100%

Source; own survey 2019

From the above table 4.5 question 7, 20 % of the respondent said that it encourage employee participation, 20% of the respondents replayed it would create accountability, 50% of the respondents said new ideas and changes proposed by group are welcomed and 10% of the respondents replayed encouragement of employee decision making and assumption. From this the researcher conclude that the majority percent of the respondents were new ideas and changes

proposed by group are welcomed, so the organization accept new idea and change that come from their employee.

As the above table 4.5 question number 8 indicate 38.46% of the respondent said that Problems are only solved by the management, 46.15 respondents Managers have lack of confidence in their subordinate and 15.38% were Subordinates usually feel that decision making is the manager job. From this the researcher understand that Managers have lack of confidence in their subordinates so the manager improve their confidence by their subordinate.

**Table 4.6 Preferable leadership style for a specific work environment**

NO	Question	Items	Frequency	Percentage (%)
9	What is the importance of leadership in the organization?	Motivating	17	47.22%
		Creating confidence	10	27.77%
		Providing guidance	9	25%
		Total	36	100%

Source; own survey 2019

As one can see from the above table 4.6 question number 9 47.22% of the respondents believe the importance of leadership in the organization is to provide guidance for employees and motivate them for the efficient and effective of their job, 27.77% of the respondents believe the importance of leadership is to create confidence for the employees and 25% of the respondents think that the importance of leadership is to Providing guidance motivating employees to meet the organizations goal. So the researcher conclude that motivating employee to meet the organization goal.

**Table 4.7 types of leadership style on work environment.**

NO	Question number-12	Items	Frequency	Percentage (%)
10	What type of Leadership style does the work environment prefer?	Participative leadership	25	69.44%
		Autocratic	-	-
		Bureaucratic leadership	-	-
		Laissez faire leadership	11	30.55%
		Total	36	100%
11	Which leadership Style creates a good working environment?	Participative leadership	20	55.55%
		Autocratic	3	8.33%
		Laissez faire leadership	11	30.5%
		Bureaucratic leadership	2	5.55%
		Total	36	100%

Source; own survey 2019

As you can understand from the table above 4.7 question number 10, 69.44 % respondents were Participative leadership style was preferable in work environment, and believe that to create a good work environment it's better to have participative leadership style but 30.5% of the respondents think it is better to have laissez faire leadership style were preferable to create good work environment. So as a general conclusion from these participative leadership style is more preferable than laissez-faire leadership to create good work environment.

From the above table 4.7 question number 55.55% of the respondents were believe participative leadership style create good work environment, 30.50% of the respondents assesses-fair leadership style create a good work environment and 5.55% of the respondents were Bureaucratic leadership. So the researcher conclude that participative leader were a good to create a good work environment.

**Table 4.8 Problems related to leadership style and work environment**

NO	Question	Items	Frequency	Percentage (%)
12	What are the problems related to leadership style that affect work environment?	Reduce wage or salary	12	33.33%
		No promotion	9	25%
		Decrease learning opportunity	8	22.22%
		Low states in position	7	19.44%
		Total	36	100%

Source; own survey 2019

The information in the above table 4.8 show that 33.33% of the respondents problems related to leadership style that affect work environment believe reduce wage or salary affects the work environment, 25% of the respondents think that low states in position affect the work environment, 22.22% of the respondents think decrease in learning opportunity affect the work environment and 19.44% of the respondents believe that no promotion for the employee affect the work environment. From these the researcher understand that a number of factors were problems related to leadership style that affect work environment.

**Table 4.9 Important of leadership style in work environment.**

No	Question	Item	Respondents	Percentage (%)
13	Important of leadership style in work environment	Motivating	16	44.44%
		creating confidence	8	22.22%
		Providing guidance	12	33.33%
		Total	36	100%

Source own survey 2019

From the above table 4.9 show that 44.44% of respondents were motivating was important leadership style in work environment, 33.33% of respondents were providing guidance was important leadership style in work environment and 22.22% of respondents were providing guidance was important leadership style in work environment. From these the researcher understand that Motivating more preferable leadership style to improve work efficiency in work environment.

#### **4.10 analysis of interview Responses**

To gather more information about relationship of leadership styles and work environment, semi-structure interview was forwarded to the management of the organization. Semi-structured interview responses are listed and analyzed as follows.

Do you think that leadership style have a direct impact on work environment? The manager forwarded that “yes” and add that the starting point in this question is what type of leadership style that affect in work environment either, democratic, autocratic and laissez-faire are directly related to the employees who administrated in different leadership style. For example democratic leadership properly manages employees and create comfortable environment to the workers.

What are the problems related to leadership practices that affect work environment? The manager responded that there are different problems that are related to leadership practices that affect environment among those are

- ✓ Conflict
- ✓ Corruption
- ✓ Theft and others

Conflict occurs in autocratic leadership style when workers do not allow bad administration in the organization; Corruption also is high in lasses-faire leadership style and autocratic leadership style because the workers have bad awareness and they assume to become rich in a short way and dissatisfy by the leader so they make corruption for the sake of their personal gain.

What do you think that the relationship of leadership style and work environment? The manager replied that there is direct relationship between leadership style and work environment. If there is a democratic leadership (good leadership style) there is comfortable (Conducive) work environment developed whereas if there is autocratic or lassies-faire (Bad leadership style) there will be developed unattractive work environment.

## CHAPTER FIVE

### 5. SUMMARY OF FINDING, CONCLUSION AND RECOMMENDATION

#### 5.1 Summary of finding

From the data analysis and presentation the study develop the following summary finding based on has distributed a total of 36 questioners to the employees.

- From the majority of the respondent replied that the organization found most of the time in moderate level on leaders understand employees need and problem.
- The respondents believe that Bottom-up decision making is applied at the organization this means that the organization most of the time apply top-down decision making approach.
- From the above analysis the most of respondent replied that Managers have lack of confidence in their subordinates so the manager improve their confidence by their subordinate.
- From this study the researcher summarized that the majority percent of the respondents were have new ideas and changes proposed by group are welcomed, so the organization accept new idea and change that come from their employee.
- The majority of respondent respond that participative leadership style is more preferable than laissez-faire leadership to create good work environment.
- From the above analysis the researcher understand that a number of factors were problems related to leadership style that affect work environment of the organization.
- The majority of respondents think that the importance of leadership is to providing guidance motivating employees to meet the organizations goal so from the above summary finding of the researcher develop the following conclusion and recommendation.

## 5.2 Conclusion

As the study carried out to assess the relationship of leadership style and work environment, data obtained from different sources has been analyzed by using table, percentage and description. The following findings have been reached based on responses and analysis of data gathered from questionnaire and interview.

- ❖ As the responses majority of the respondents agreed that leadership style have a direct impact on work environment this implies that leadership style is one of the major key points when you talk about creating a good work environment, having the right leadership style can directly impact the work environment of the organization.
- ❖ Explained in this study Low payment comparing for other sub city in the region, Lack of reward so ever the employee are working hard, Lack of promotion and less capacity of training for staff were the major problems related to leadership that effect the work environment in the organization.
- ❖ As per types of leadership in the organization, most of the employees were responded that the leader followed participatory leadership which implies that the leader gave opportunity to his subordinates on participating in decision making and built their confidence in meeting for challenging goals of the organization.
- ❖ Majority of the respondent's responses that employees equally participating in decision making process this means that the organization give employees the opportunities to participate in decision making process this will create a conducive environment for employees. As the response of majority respondents, they were gained the benefit of providing guidance. This implies that the leader was not only supervise employees but also play the guiding role for his subordinates.

## **5.2. RECOMMENDATION**

- ❖ Based on the findings above and the conclusion drawn, assessment the relationship of leadership styles and work environment the researcher forwarded the following recommendations as a possible solution to be considered by respected body.
- ❖ The leader was not only supervising employees but also play the guiding role for his subordinates which is important for the subordinates to perform their work effectively. Therefore, the manager is advised to give excellent and interesting guidance to keep the employee motivation, as it is vital for the organization to achieve their goal by making clear to understand organizational goals and objectives for employee.
- ❖ However, What makes a good leader depends on the organizational context Developing leadership, potential involves matching individual talents with organizational need, and building skills that both enhance performance and play to individual strengths
- ❖ There is a gap of the staff skill and knowledge to implement the development activities in some areas like report writing skill for field staff, however the organization should assess the individual or group training needs and give appropriate training related to their work, this will build the capacity of staff for proper implementation of the project and their highly encouragement.
- ❖ The organization should focus on creating a good work environment for their employees and have its own leadership style that reflects the organization mission and goals. The organization should give their managers training on how to create a good work environment that also having a good leadership style.

## REFERENCE

- Debra L.Nelson and James Capbell quick, organizational behavior,1994,2<sup>nd</sup> addition, U.S.A western publishing company
- Hellireigel, Sleun, woodman, Organizational behavior, 1988 5<sup>th</sup> edition. Toronto.
- Jerald green Berg, Robert A Baron, Behavior in organization, 1996, original, 1<sup>st</sup> edition, Francs A. Owen.
- Mc Shane S.L and Von Gionow MA, Organizational behavior 1994, 1<sup>st</sup> edition, Austria and Florida.
- Nelson, organizational behavior, 1984, 2<sup>nd</sup> edition, Canada.
- Richard H.G Field Robert J.house, Organizational behavior, 1995, 2<sup>nd</sup> addition; in USA, Canada city.
- StephernP.robbins, organizational behavior, 1993, 5<sup>th</sup> edition, New delhi
- Management study, Baston Harvard, HTTP// www minded gedress, com accessed. (Dec/10/2010).
- Locke, E.A.(1976).The nature and causes of job satisfaction. In M.D. Dunnette (ED) *handbook of industrial and organizational psychology*.
- Neel, Van Dyk, and Werner (2004).*Human resources management Journal*.
- Maslow, A, H. (1943). *The theory of motivation*.Classic reading in organizational behavior.
- Mayo, E. (1933). The human problems of industrial civilization. New York: Macmillan.
- Mildred Miller, K. I., Considine, J. & Garner, J. (2007). Let me tell about my job: Exploring
- theterrian of emotions in the workplace. *Management Communication Quarterly*.
- Reichers, A.E. (2006). A Review and Reconceptualization of Organizational Commitment. *Journal of Academy of Management Review*.
- Schneider, B. (1973), and Hall, D. (1972). Toward Specifying the Concept of Work Climate: A
- Study of Roman Catholic Diocesan Priests.*Journal of Applied Psychology*.

- Schneider, B. (1998). The climate for service: An application of the climate constructs.
- Schneider, B (2005). On the etiology of climates. *Personnel Psychology*.
- Schneider, B., (2008) Individual Differences and Organizational Climate.
- Taylor, F. W. (1911). *Principles of Scientific Management*. New York and London brothers
- Wiley, J.W. & Brooks, S.M. (2000). *The high-performance organizational climate*.
- Vardi, Y. (2001). Organizational Misbehavior: Hypotheses, Research and Implications, Re-
- Imagining Business Ethics: Meaningful Solutions for a Global Economy.



**Appendix: - one**  
**WOLKITE UNIVERSITY**

**COLLAGE OF BUSINESS AND ECONOMICS**

**DEPARTEMENT OF MANAGEMENT**

**Questionnaires: - filled by employees**

The main objectives of this questionnaires is to collect data which emphasis on assessment the relationship of leadership styles and work environment(in case of commercial bank of Ethiopia Wolkite branch), the outcome or results of the study will be used for educational purpose. Dear customers, you are kindly request carefully read the questionnaires and give correct response or information.

**Instruction**

- ❖ No need of writing name and also please, put “ ✓ ” mark for your choice for close ended and inside the box and write short answer on the open ended questions.

**Part one:-**

**Background of the respondents (personal information)**

1. Age:  18-21  22-25  26-29
2. Marital status;  Married  Unmarried  Divorced
3. Educational status:  Undergraduate  Graduate

**Part two:-Basic Research Question**

- 5) Does the leadership style have a direct impact on work environment?  
Yes  NO

6) To what extent do you leader understand employees need and problem?

Very well  moderate  Neutral  rare  not at all

7) Do you think the company has a good work environment?

Yes

8) Does the leader have confidence in his or her leadership ability?

Yes

9) How are the decisions made in organization?

A Top-down  B bottom-top

10) Based on the above question, if your answer is "B" what is the effect?

Encourage employee participation  eate accountability

New ideas and changes proposed by group welcomed

Encouragement of employee decision making and assumption

7) If the answer is "A" what is the reason?

Problems are only solved by manager

Subordinates usually feel what making decision is the manager

Manages has lack of self-confidence in their subordinates

8) In the organization are all people participating equally in decision making?

Yes  No

9) What is importance of leadership in the organization?

Motivating  Creating confidence  providing guidance

10) What are the problems related to leadership style that affect work environment?

Reduce wage or salary  No promotion  Decrease learning opportunity   
Low status in position

11) that is the importance of leadership style in work environment?

Motivating Greeting  confidence  providing guidance

12) What type of leadership style does the work environment prefer?

Participative leadership  Autocratic  Bureaucratic leadership

Laissez faire leadership

Other.....

13) Which leadership style creates a good working environment?

Participative leadership  Laissez faire leadership

Bureaucratic leadership  Autocratic leadership

Other.....

.....

14) What could be the solution to solve the problems that are related to the impact of leadership style and work environment in the organization?

.....  
.....  
.....

**APPENDIX TWO  
WOLKITE UNIVERSITY**

**COLLAGE OF BUSINESS AND ECONOMICS**

**DEPARTEMENT OF MANAGEMENT**

**Interview questions to field by manager CBE in wolkite branch**

1. How think that the leadership style have a direct impact on work environment?
2. What are the problems related to leadership practice that affect work environment?
3. What do you think that the relationship of leadership style and work environment?