

ST. MARY'S UNIVERSITY COLLEGE

**FACULTY OF BUSINESS
DEPARTMENT OF MANAGEMENT**

**AN ASSESSMENT OF
LEADERSHIP PRACTICES AND PROBLEMS
IN
NEFAS SILK PAINTS FACTORY**

BY
SOLOMIE TSIGE

JULY, 2010
SMUC
ADDIS ABABA

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BY
SOLOMIE TSIGE

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CHAPTER ONE

INTRODUCTION

1.1. Back Ground of the Study

Leadership plays an important role in providing shared vision & values that are essential for the accomplishment of organizational objectives or goals. It enhances commitment by empowering & coaching employees and work groups, which in turn will enable the organization to create heroes at all levels

Leadership is the process of encouraging and helping others to work enthusiastically towards objective. Leadership must extract cooperation and willingness of the individuals and groups to attain the organizational objectives .Leadership is both a process and property, coordinate the activities of the members of an organized group towards the accomplishments of group objective (Singa, 2002:326) .

An efficient leader can develop the skill of subordinates, promote self-confidence apart from motivation and create opportunity to show their abilities. This induces cooperative attitude of workers and maintain better relation with them for the accomplishment of common goals. A good leader also promotes the spirit of coordination among the workers (Ramasamy, 1999:264) .These are among the best qualities of leadership for the effective performance of workers in any organization.

Leadership is “the art of mobilizing others to want to struggle for shared aspiration,” (Kouzes and posner, 1995:30) According to Lord and Maher (1993:11) leadership is also considered as “the process of being perceived by others as a leader.” Here by leadership, they mean combination of leaders’ traits, behaviors, beliefs and values which are typically interrelated to followers.

For many peoples studies about leadership as a Nation and International practice is science for there organization or different purpose. In our country many people knows the knowledge, but are not practices well as a science it is also in this factory

In this factory the leaders try there best to practice but most of the time the problem is happened at the firm of implementation.

The purpose of this study is therefore to assess the leadership activities of the leaders of the organization and identify the main problems so that it could be possible to suggest possible corrective measures.

The study also tries to investigate whether the proper focus and attention is given to acquaint the importance of effective leadership to its managerial and supervision employees

If leaders are able to exercise leadership activities in their group of employees, they will be able to lead effectively

1.2. Background of the Organization

Nefas Silk Paints Factory was established in 1959 E.C. originally as “mega” paints factory. The factory engaged in the production of various types of paints such as super water based paint, kokeb or oil based paints, antirust, black board paints, alkyd varnish, aluminum paints, various type of thinners and automotive paints , wood and paper glue.

The factory was nationalized in 1985 E.C. and its name was changed to “Tseday No 1 paints factory under the direct supervision of the former Ethiopian Chemical Corporation for about 15 years until the emergence of the transitional Government of Ethiopia. Under the proclamation number 25/1992 the factory was recognized as a public enterprise with full managerial autonomy to operate within the newly market oriented economic system under the supervision of privatization and public supervising agency.

The factory concern at this time is the satisfaction of the customers demand with the production of quality paints and saving of foreign currency which allotted for imported paints, and maintain the profitability of the factory continuous. Currently, the NSPF has 156 workers of which 70% are engaged in production and technical activities.

Nefas Silk Paints Factory has theoretical production capacity of 5 million liters of paints and various products per operating under a single shift of 8 hours a day.

Organizational structure of the factory is administered by the Board of Directors consisting of six members, four appointed by government and two nominated by employees of Nefas Silk Paints Factory. The Chief Executive Officer of the enterprise is the general manager whose responsibility and duties are spelt out in article 16 of proclamation No 25/1992

The general manager is assisted by an advisory management committee which composed of four departments and 3 services such as:-

- ★ Production & technical department
- ★ Commerce department
- ★ Finance department
- ★ Administration department
- ★ Quality assurance service
- ★ Audit service
- ★ Planning & performance improvement service

All of these departments and services are directly reporting to the general manager. Among the departments and services outlined above, production & technique and commercial departments under take direct operational functions the rest provide support to the organization.

The organizational structure of the enterprise is presented under for detail information on chart 1.

1.3. Statement of the Problem




The main statement of the problem for this paper is “ Leadership practices and problems in Nefas Silk Paints Factory”. In this paper all efforts will be made to assess and identify the existing leadership problems and give possible recommendations for corrective measures

In an organization a leader exercises his/her power over his/her followers because of his/her position held in the organization. The leader can control the activities of his/her followers in order to achieve the objectives of the organization.

Leaders while performing their duties and responsibilities leadership problems could be observed in any organization.

These problems should be addressed on time otherwise the managing power of the leaders will decrease from time to time and the organization will end up with non productive employees.

The specific leadership problems I have observed which forced me to make my study on the Nefas Silk Paint Factory leadership are:-

-  Decreased workers participation in different activities of Nefas Silk Paints Factory
-  Disruption of sustainable paint manufacturing as a result of delayed managerial decision, which finally cause customer dissatisfaction.
-  Significant number of employees of the Nefas Silk Paint Factory has lost their confidence to present their grievance as a result of unfair disciplinary measure made by immediate supervisors and other administrative top and middle level managers.

1.4. Basic Research Questions

The following are the basic research questions the study attempts to answer

1. Leaders theoretical and practical knowledge of leadership
2. How often do employees participate in decision making activities in the organization
3. The type of leadership style practiced by leaders of Nefas Silk Paints Factory
4. To what extent do the leaders respond to employees request promptly and adequately?
5. How much the employees are satisfied with leadership practices of the company.

1.5. Objectives of the Study

1.5.1. General Object

The general objective of the study is to identify the existing leadership practices and problems of Nefas Silk Paint Factory and recommend possible solutions, which may contribute to the effectiveness and efficiency of the organization's leadership.

1.5.2 Specific Objective

The following specific objectives are stated from the general objective. Thus the specific objectives of the study include:-

- ✚ To assess the leadership weaknesses and strengths of the organization
- ✚ To determine the level of employees satisfaction with the leadership practice currently in place,
- ✚ To identify the dominant leadership styles by management
- ✚ To suggest possible solutions for the leadership problems identification

1.6. Significance Of The Study

The significance of the study is that it will help to determine the leadership practice and problem of NSPF and recommend possible corrective measure. Moreover, the study can be used as a steppingstone for other researchers who are interested to undertake further study in the area.

1.7. Scope and Delimitation Of The Study

The focus of the study is on the leadership practice and problem of NSPF Head office and Factory in Addis Ababa. These include six departments and 3 services in the Head office and Factory. Out of 155 workers of Nefas Silk Paint Factory this shows 40% only are involved in the study .Thus the size of the sample delimited to 47 .The data collection method used are also delimited to interview and questioner. Because these are appropriate tools to collect relevant data for the study from wide range of respondent.

1.8. Research Design And Methodology

1.8.1. Research Design

The researcher intended to apply descriptive survey research method, because the method that simply looks with intense accuracy at the phenomena of the moment and then describes precisely the current situation of leadership practice and problem in the organization. To undertake the study the researcher first compiled review of related literature of relevant published and unpublished materials.

Based on the information from the review of related literature, questionnaire and interview checklist were developed. After developing the questionnaire and interview checklist, the researcher selected sample respondents by using simple random sampling technique and collected the primary data. Moreover, secondary data was collected from documentary sources. Then the data were tallied, tabulated and analyzed using frequency count and percentage.

Accordingly, the findings have been summarized and conclusions and recommendations given at the end.

1.8.2. Population and Sampling Technique

The researcher used simple random technique to select 40% of employees as sample from the total population size of 155 within the organization. The researcher used this technique because to give equal chance for all population and avoiding biasness in the organization under study.

1.8.3. Type of Data Collected and Used

The researcher used both primary and secondary data sources to collect relevant information for the study. The primary data is collected through the administration of interviews and the distribution of questionnaire. The secondary data was obtained from the company's documents, reference books and other published and unpublished documents.

1.8.4. Methods of Data Collection

The researcher used both primary and secondary data source in order to show the expected problem of the organization in a clear aspect

The data collection tools are questionnaires and interview. The questionnaires are of two types the 1st is to managerial position workers and the 2nd is for employees the researcher used two forms of questionnaire which is open ended and close ended form and the interview to management group.

The open ended questions are included to find more information which cannot be obtained from the closed ended questions they are also expected to enable the respondents to express their views freely

1.8.5. Data Analysis Method

The data collected by using primary & secondary data sources is tabulated and analyzed through statistical tools, which is percentage. The collected data are also interpreted using a sample from the total population.

1.9. Limitation of the study

Research work requires availability of sufficient time, money and other resources. Above all money and time are majority resources which affected this research. In addition the willingness of employees to give the necessary information can be mentioned another limitation of the study.

1.10. Organization of the Study

The paper contains four chapters. The first chapter deals with the introduction part including background of the study, statement of the problem, objectives, significance, scope, methodology and organization of the study. The second chapter consists of the review of related literature. Chapter three is concerned with data presentation and analysis. The last chapter contains summary of findings conclusions, & recommendations.

CHAPTER TWO

REVIEW OF RELATED LITERATURE

2.1. Overview of Leadership

There is no clear consensus regarding exactly what leadership is and how the term should be defined there are almost may definitions of leadership. Some of these are the following

Every society, organization, institution, country and the world require leaders to lead the people towards achievement of their common goals. Wendell French has defined leadership as “the process of influencing the behavior of others in the direction of a goal or set of a goals or, more broadly, toward a vision of the future.” According to Keith Davis, “Leadership is the process of encouraging and helping others to work enthusiastically towards objectives.”

Leadership is the process of encouraging and helping others to work enthusiastically towards objective. Leadership must extract cooperation and willingness of the individuals and groups to attain the organizational objectives .Leadership is both a process and property, coordinate the activities of the members of an organized group towards the accomplishments of group objective. Singa (2002:326)

On the other way, poor leader try to impose responsibilities and accountabilities to subordinates for any shortcoming executions. This workers lack belongingness and try to secure themselves regardless of the organizational goals.

This indicates workers under poor leaders will have less confidence, no creativity, low motivation & initiation and leads low performance, (Ramsary, 1999:274) Leadership defined as “the ability to influence through communication the activities of others, individually or as a group, toward the accomplishment of worth while, meaningful, and challenging goals.

2.2. The Importance of Leadership

Importance of leadership does not need any over emphasis. Success of any organization is because of its leadership. Even national independence, growth, prosperity and power are because of its leadership. Prosperity and growth of industrial or business organization is also because of effective leadership. Eye-catching performances are achieved by many organizations through able executive leadership. An effective and important leadership must perform the following functions. (Singh,2002:326-327)

- ✚ A leader should act as a friend, philosopher and guide to the people whom he is leading
- ✚ A leader should win the confidence of his people and seek their cooperation and convince them of policies, procedures and the goals to be achieved
- ✚ He maintains discipline among his group and develops a sense of responsibility. He should be impartial in treating people under him and build up a high morale.
- ✚ He should motivate his subordinate to achieve goals
- ✚ He should try to raise high moral and ethical standards among his people

2.3. Characteristics of Effective Leaders

According to Amirk and etal (2003,292), a leader has certain inherent quality and traits which assist him in playing a directing role and wielding commanding influence over others. Some of these traits are the following.

- Energy, drive
- Appearance, present ability
- A sense of cooperativeness
- Enthusiasm
- Personality-height and weight
- Initiative
- Intelligence
- Judgment
- Self-confidence
- Sociability
- Tact & diplomacy
- Moral courage and flexibility
- Will power and flexibility
- Emotional stability
- Knowledge of human relation

According to these authors, these traits are not universal in nature, not all leaders have all these traits. Not all these traits work all the time. While some of these characteristics differentiate successful leaders from unsuccessful ones.

2.4. Personal Characteristics of Leaders

As revealed by (Amirik singh and Kumar 2003:494).effective and successful leaders are required to possess the following qualities:-

- A) **Ability to inspire others**:-This ability may be due to an internal “charisma” which is an inborn trait and may not be a learnable factor.
- B) **Problem solving skill**:-An effective leader has developed that patience and ability to look at the problem from various angles and get down to the cause of the problem & tries to solve the problem from its roots rather than the symptoms of the problem.
- C) **Emotional maturity**:-Emotional stability and maturity is a major ingredient for effective leadership. It pertains to good adjustment to life, calm, and calculated reaction to undesirable situations and obstacle and normal acceptance of success as well as failure such leaders are self-confident, rational and are open hearted towards differences in opinions and opposing view points.
- D) **Ability to understand human behavior**:-A leader must understand the need, desires and behavior of their subordinates and show respect for such desires.
- E) **Verbal Assertiveness**:- Leader must be an effective orator and must be confident of his views and options. He must communicate his views honestly and in a straight forward manner without fear of consequences.
- F) **Willingness to take risks**:-Routine work, no matter how well-done, never makes a leader. Successful leaders always charter the unknown. They must accept and seek new challenges.
- G) **Dedication to organization goal**:- A leader must demonstrate his dedication and commitment to the organizations mission, goal and objectives by hard work and self-sacrifice.

- H) **Skill in the art of compromise**:-Setting difference is a vital part of leadership and genuine differences must be solved by compromise and consensus. This will induce faith in the fairness of the leader. He must be willing to give in where necessary and must be able to take criticism with grade.

However, he must not compromise for the sake of compromising or just smooth sailing only and must be willing to take a stand on controversial issues and accept the consequences of his stand.

2.5. Transformational Transactional & Charismatic Leadership

2.5.1. Transformational

A leadership perspectives that explains how leaders change teams or organizations by creating, communicating and modeling a vision for the organization or work unit and inspiring employees to strive for that vision (Steven and etal,2000:450)

Transformation leadership is about “leading-changing the organizations strategies and culture so that they have a better fit with the surrounding environment. Transformational leaders are agents for change who energize and direct employees to a new set of corporate values and behaviors (Ibid 2000:451).

2.5.2. Transactional Leadership

Leadership that helps organizations achieve their current objectives more efficiently by linking job performance to valued rewards and ensuring that employees have the resources need to get the job done.

Transactional leadership is “Managing” helping organizations achieve their current objectives more efficiently, such as linking job performance to valued rewards and ensuring that employees have the resources needed to get the job done. The contingency and behavioral theories described earlier adopt the transactional perspective because they because they focus on leader behaviors that improve employee performance and satisfaction (Steven and etal,2000:450).

2.5.3. Charismatic Leadership

Charismatic leaders are the “Superstars” of Leadership. We usually reserve the label “Charismatic” for well Known political, social and business headers who have had significant impact on the lives of others. More recent conceptions of charisma, however, suggest that charismatic leadership can be found at all levels not lost among those in senior positions. By discovering how charismatics communicate, we can increase or effectiveness as leaders (Michael and etal, 2004:110)

2.6. Function Of Leadership

According to Ramasamy (1999 268-270), include the following Leadership functions are explained by:-

- A) **Taking initiative**:-A leader has to take all initiatives to lead the business activates. He should not accept others to induce him to take initiative.
- B) **Representation**.-A leader is a representative of an organization. He represents the purpose of organization to workers and outsiders.
- C) **Guide**:- The leader has the primary duty of guiding others, proper direction should be given by leader.
- D) **Encouraging other**:- The leader must win the confidence of his colleagues before wining in a competition.
- E) **Arbitrator and mediator**:- The leader can settle the disputes arising amount the workers. Generally, people accept friendly advice. Sometimes , the leader can act as a friend.
- F) **Planner**:- the type of activities of type of work is to be decided by the leader, where it should be done and by whom it should be done.
- G) **Reward and punishment**:- some workers perform their work with in a standard time and properly. The leader can give rewards to those have completed the work and punish who does not complete the work as per the requirement of job.
- H) **Integration**:- Each individual does a part of a whole work. They perform the work according to their specialization. Here there is a need for integration.
- I) **Communication**:-It is necessary to every organization. An effective

communication system conveys the authority and responsibility to each individual so that he may come to know what he is to do and what not.

J) **Production:-** a leader is expected to show high production figures. He should take all necessary steps to increase production.

2.7. Theories of Leadership

Leadership, like motivation, is topic that fascinates people. The interesting questions frequently asked are, what makes a good leader? Can leadership skills be learnt? What makes a leader tick? In endeavoring to answer these, we shall discuss the traits, leader behavior and contingency theories of leadership, and also mention some of the latest approaches taken in the study of leadership by current researchers (Sekaran:1989:181).

- a) **Traits Theory of leadership:-** the earliest studies in leadership focused on traits that were thought to differentiate leaders from non leaders. In other words, it was theorized that traits played a central role in predicting who would or would not be a leader. Among the traits attributed to leaders are height ,weight, physique, good health, high levels of energy, good appearance, intelligence, scholarship, knowledge, good judgment, insight, initiative, originality and so on (Sekaran 1989:182).
- b) **Behavioral Theory of Leadership:-**As early as the late,1930's lippit, Wright and Lewin from the group research center in low a studied the effects of three leadership styles-autocratic, democratic and laissez fair-on the behavior of a group of boys. They found that autocratic leadership resulted in either aggressive or apathetic behavior in followers, Laissez fair style resulted in the worst form of aggressive and apathy. This was the first study that concentrated on leadership styles and follower's behavior and was thus a forerunner redirected their efforts to the study of actual behavior of leaders, instead of exploring higher personality traits. Researchers also attempted to correlate leader Behavior modes to subordinates performance and satisfaction. Two sets of studies on leadership progress concurrently undertaken in the united state: one conducted by researchers from the Michigan university and the other by those at the ohio state university.(Sekaran 1989:182)
- c) **Contingency theory of Leadership:-** The effectiveness of leadership depend

the situation in which it is used for managing the organization, it is known as a contingency leadership theory. The appropriateness of a leadership theory depends on the nature of the situation. According to Fred Fiedler in Mishra (2003:316), leadership style depends on the situation which may be favorable, unfavorable or neutral. He has given the leadership style on the interaction of employee orientation three additional variables: the follower, the task and organization it determines the leader member relations, task not congenial, the leadership style has to be changed. Task structure indicates the leadership style of performance, position power describes the organization power, and considerate employee-oriented managers are more successful in situations favorable to them. A situation favorable to the leader makes him a successful leader ,Mishra(2003:316-317).

2.8. Quality of Leadership

A leader should have some leadership quality in order to provide effective leadership. According to Ramasmy (1999:270-271) the importance qualities of a leader include the following:-

- A) **Physical appearance and strength:** - A leader has to put in hard work physically. He should have a capacity to work for longer hours than other
- B) **Mental vigor:-** The leader also should be strong mentally. It means that the leader is expected to withstand strain in finishing the work properly
- C) **Emotional stability:-** The leader should not be move by emotion. He should analyze the problem rationally and take a decision without bias.
- D) **Sense of judgment:-** A leader should be able to understand the feeling of others. He takes decision on the basis of expectations of his followers
- E) **Good will:-** A leader should be able to understand the feeling of others. He takes decision on the basis of expectations of his followers
- F) **Motivation:-** A leader should know different motivation techniques and how to use them
- G) **Communication skill:-** whatever the information needed to workers it should be passed through the leader. So, the leader should communicate the information to the workers

- H) **Guiding ability**:-The leader acts as a teacher to new workers. So, the leader helps his followers to learn their work
- I) **Sociability**:-An able leader can easily mingle with the workers. The workers should be encouraged to discuss their problems and difficulties their boss
- J) **Technical knowledge**:- A leader should possess a thorough knowledge of the theory and practice of his job. Besides, he should know the current developments in his job with technical knowledge

2.9. Leadership Style

Leadership styles implies the way in which leader exercise leadership; it is the way in which the functions of leadership are carried out or the way how the leaders behave towards their subordinates in the accomplishment of the work. According to Mishra (2003:313), leadership ability differs from person to person according to their style of functioning in a particular situation.

- a) **Autocratic leadership**:-In this type of leadership, the leader alone determines policies and makes plans. He tells others what to do and how to do it. He demands strict obedience and relies on power.
- b) **Democratic leadership**:- In this type of leadership (also known as participative or person oriented leadership) the entire group is involved in and accepts responsibility for goal setting and achievement.
- c) **Free rein**:- In this type of leadership, the leader exercises absolutely no control. He only provides information, materials and facilities to his men to enable them to accomplish group objectives.

2.10. Techniques of Leadership

A leader can use a number of techniques to extract work, such as Ramassamy (1998:314)

- a) **Securing cooperation**:- A leader should get co-operation from his followers. Unless he enlists their co-operation, he cannot succeed. There must be willingness on the part of both parties. The leader must convince each follower to extend co-operation.

- b) **The use of power:-** Leadership goes with power. It cannot exist without power. So the leader must use his power which subsequently results in getting things done by others. At the same times, the leader should use power only to safeguard the interests of the enterprise.
- c) **Co-ordination:-** A leader can co-ordinate the activities of his followers through orders of commands, Definite, flexible and open orders alone co-ordinate the activities. Definite order means that an order is not oral and the terms used in .0definite order have unequivocal meaning.
- d) **Discipline:-** is nothing but the adherence to rules, regulations and procedures. Discipline should be maintained to achieve the objectives. Individuals are restricted from doing things which are detrimental to the group interest.
- e) **Moral:** Leighton has defined morale, as the capacity of a group to pull together persistently and consistently for a common goal. “Morale is the attitude of an individual and group growing out of the conditions under which he or they complete the job effectively.” The leader should created confidence in the minds of his followers.

CHAPTER 3

DATA ANALYSIS AND INTERPRET

In order to acquire the required information 60 questions have been distributed to employees' in different divisions and being completed and returned. The responses of the respondents are presented in the following way.

3.1. Characteristics of the respondents

The following table presents and analyses the characteristics of the respondents included in the study

Table1: Respondents by age, sex, academic status and work experience

No	Item	Alternatives	Frequency of responses No	
			No	%
1	Sex			
		Male	46	77
		Female	14	23
		TOTAL	60	100
2	Age			
		20-29	14	23
		30-39	13	21
		40-49	27	45
		50-59	6	10
		60 & above	-	
		TOTAL	60	100
3	Academic Status			
		From 1-8	5	8.3
		From 9-12	12	20
		Diploma	20	33.3
		Degree & above	23	38.3
		TOTAL	60	100

(Source: Primary Data)

Table1: Respondents by age, sex, academic status and work experience

No	Item	Alternatives	Frequency of responses No	
			No	%
4	Years of Service in the organization			
		1-3 Years	7	11.66
		4-6 Years	13	21.66
		7-9 Years	12	20
		10-12 Years	5	8.3
		13 years & above	23	38.3
		TOTAL	60	100

(Source: Primary Data)

From item no 1 of table 1 it can be observed that 46(77%) of the respondents are male, where as 14(23%) of them are female. This shows that the number of male workers is greater than female workers in the organization. Thus the organization is male dominated.

From table 1 item 2 it can be seen that 14(23%) of the respondents fall in the age rang of 20-29 years and 13 (21%) of the respondents belong to the age group of 30-39 27(45%) of them fall under the age group of 40-49 and 6(10%) that are in the age range of 50-59 years. From this it can be observed that most of the respondents are matured enough to give reliable information pertain to the study.

Item 3 of table one concentrates on the educational level of the respondents .Accordingly it can be noted that 38.3% are degree holders , 33% of them are diploma holder ,20% have completed grade 9-12 and the rest 8.3% are below grade eight. From this it can be conclude that majority of the respondents are highly qualified having degree and diploma. Therefore the large portion of the respondents have a lot of information accumulated through their exposure to higher education.

Item 4 of table one deals with the age range of respondents. Accordingly we can see that 11.7% of the respondents have a service period ranging from 1-3 years, 21.7% of them have served for 4-6 years and 8.3% of them have a service of 10-12 years .The rest that is 38.3% of the respondents have served for 13 years and above. This shows that majority of the respondents have served the organization for a long period of time, and the information gathered from these respondents are dependable to come up with realistic conclusions data .

3.2. Part II: Pertinent to the study

Table II: Relationship between the leaders and followers

No	Item	Alternatives	Frequency of responses No	
			No	%
5	There is healthy relationship between the leaders and followers at different levels of the organization.	Strongly agree	18	30
		Agree	33	55
		Undecided	4	6.66
		disagree	2	3.33
		Strongly disagree	3	5
		TOTAL	60	100

(Source: Primary Data)

From table 2 Item 5 it could be noted that 30% of the respondents strongly agree that there is a healthy relationship between the leaders and the employees of the organization, and 55% have also agreed there is a healthy relationship. Where as 3.3% disagree and 5% of the respondents strongly disagree about the healthy relationship, but 6.7 % could not decide about the existing relationship. Therefore, it can be concluded that totally more than 85% of the respondents have confirmed that there is healthy relationship between the employees and the leaders. Thus, this prevailing condition can create a conducive environment and helps the employees to be highly motivated and more productive in their daily activities.

Table III: Equal treatment of employees by their leaders

No	Item	Alternatives	Frequency of respondents No	
			No	%
6	To what extent are the leaders at different levels of the organization fair in giving equal treatment to their followers?	To a very great extent	12	20
		to a great extent	36	60
		undecided	2	3.33
		To some extent	8	13.33
		to less extent	2	3.33
		TOTAL	60	100

(Source: Primary Data)

Table 3 item 6 above show that 80% of the respondents are satisfied with the equal treatment provided by leaders to their employees . The other 13% said equal treatment is given to some extent and 3.3% to less extent. Out of the whole respondents, 3.3% of them could not decide whether there is equal treatment of workers by leaders or not. If workers are treated equally and fairly, the promoting, rewarding and evaluating system will be transparent and open, and this will create peaceful working environment in the organization.

Table IV : Frequency of communication between leaders and employees

No	Item	Alternatives	Frequency of respondents No	
			No	%
7	How often do leaders at different level of the organization communicate with employee?	Very often	11	18.33
		often	21	35
		Undecided	8	13.33
		sometimes	15	25
		No at all	5	8.3
		TOTAL	60	100

(Source: Primary Data)

As indicated Table 4 item 7, 18.3% of the respondents feel that the leaders of different levels of the organization communicate with the employees very often. On the other hand, 35% of them said that communication takes place often. However, 25% of the respondents believe that communication with their leaders takes place sometimes. 8.3% of the respondents said there is no communication with leaders at all: and 13.3% of them could not decide .In this item although significant number of respondents do not seem to be satisfied with the existing communication between leaders and employees about 53.3% of the respondents seem to be satisfied with the frequency of communication that takes place between leaders and employees. Therefore establishing good communication with employees will help to create mutual understanding and conflict resolution which finally benefits the organization in attaining its goal.

Table V: Involvement of employees in decision making activities

No	Item	Alternatives	Frequency of respondents	
			No	%
8	To what extent are you in decision making activities ?	To a very great extent	6	10
		to a great extent	18	30
		undecided	13	21.67
		To some extent	16	26.66
		to less extent	7	11.66
		TOTAL	60	100

(Source: Primary Data)

As can be observed from table 5 item 8, 10% of the respondents have said employees are involved in decision making activities to a very great extent, and 30% of them said employees involve in decision making to a great extent. Thus according to 40% of the respondents the involvement of employees in decision making is reasonable. However 26.7% of the respondents said employees' involvement in decision making activity is to some extent, and 11.7% believe involvement of employees in decision making activities is to less extent. Whereas 21.7% of the respondents could not decide whether there is adequate involvement of employees in decision making activities.

From the data we can infer that employees are not involved in decision making activities to the required level. This respondents' doubt may indicate that leaders in the organization are not making decision activities fully participatory. Therefore, it is very difficult to say the organization leaders are following the participatory leadership style. On the other hand, quite considerable number of respondents (40%) feel that employees are involved in decision making and this fact actually forces us to consider the efforts the leadership of the organization is doing in this regard.

Table VI : The degree of leader ability understand their employees' interest

No	Item	Alternatives	Frequency of respondents No	
			No	%
9	What is the degree of leaders' abilities to understand their followers' interest?	very high	9	15
		High	23	38.3
		Neutral	16	26.66
		Low	10	16.67
		very low	2	3.33
		TOTAL	60	100

(Source: Primary Data)

As shown in table 6 above, 15% of the respondents have demonstrated that the degree of leaders' ability to understand their employees interested is very high. Similarly, 38.3% said that the leaders' ability to understand employee's interest is high. But 16.7% of them believe that leaders' understanding ability is low and another 3.3% said their understanding level is very low. However there are 26.7% of respondents who couldn't decide whether the understanding ability is high or low .Although the number of respondents who didn't give positive response is significant, it can be said that majority of respondents (53.3%) believe that the leaders ability to understand their followers interest is high. Understaninding employees interest is a modern leadership style and can enable the leaders easily identify their workers' behavior which will help them provide better guidance to the organization

Table VII: Employees satisfied with the leadership style demonstrated by their leaders

No	Item	Alternatives	Frequency of respondents	
			No	%
10	To what extent are the employees satisfied with the leadership style demonstrated by their leaders ?	To a very great extent	7	11.66
		to a great extent	28	46.67
		undecided	3	5
		To some extent	21	35
		to less extent	1	1.67
		TOTAL	60	100

(Source: Primary Data)

As the responses in Table 7 above, more than 58% of the respondents seem to be satisfied with the leadership style demonstrated by their leaders. However, 35% said that they are also satisfied to some extent with the leadership style of their leaders, and very few of the respondent's i.e 1.7% are satisfied to a lesser extent. About 5% remained undecided. Although more than one third of the respondents are not satisfied with the leadership style of their leaders, it could be observed that the majority are happy and satisfied with the leadership style demonstrated by their leaders. Hence it is possible to say the leadership style in the organization is democratic leadership style..

Table VIII : Leadership of the organization use the following leadership Style

No	Item	Alternatives	Frequency of respondents No	
			No	%
11	To what extent does the leadership of the organization use the following leadership styles ?			
A	Autocratic leadership (Do not sufficiently involve subordinates in decision- making activities)	To a very great extent	1	1.6
		To a great extent	4	6.6
		To some extent	2	3.3
		To less extent	2	3.3
		Not at all	-	-
		Total	9	14.8
B	Democratic (Involve subordinates in decision-making activities)	To a very great extent	3	5
		To a great extent	20	33.3
		To some extent	12	20
		To less extent	8	4.8
		Not at all	2	3.3
		Total	45	66.4
C	Lasserzs-faire (Neither cares for workers nor the work)	To a very great extent	1	1.6
		To a great extent	2	3.3
		To some extent	2	3.3
		To less extent	1	1.6
		Not at all	-	-
		Total	6	9.8
		Total	60	100

(Source: Primary Data)

In table 8 item 11 the respondents were given three choices to determine the type of leadership style mostly used by leaders at different levels in the organization. The first choice is autocratic leadership style. Out of the respondents 1.6% of them said the autocratic leadership in the organization is to a very great extent..6.6% of them said it is to a great extent. Around 3.3% said autocracies leadership is to some extent & another 3.3% said it is to a less extent but no one responded to not at all.

In the second choice of democratic leadership style. 5% of the respondents said democratic leadership is the organization is to a very great extent. 33.3% of respondents said such leadership is to a great extent. Where as 20% of respondents believe democratic leadership is to some extent. Another 4.8% said it is to a less extent & around 3.3% said not at all

In the third choice lesser faire leadership style it is only 1.6% of respondents who believe such type of leadership is to a very great extent. 3.3% others said it is to a great extents .Another 3.3% respondents believe lesser-fair leadership is the organization is to some extent & very small number of them i.e. 1.6.% said it is a less extent & no one said not at all.

When we sum it is clearly indicated that majority of the respondents believe the existing leadership style in the organization a democratic leadership style. Although this leadership style is the preferred type of leadership, these as many indications from the respondent’s response to the other questioners that this leadership style is not full implemented in the organization.

Table IX: Future career in the Organization

No	Item	Alternatives	Frequency of respondents No	
			No	%
12	How is your future career in the Organization?	Extremely bright	7	11.66
		Bright	28	46.67
		Some what bright	20	33.33
		Not at all bright	5	8.3
		TOTAL	60	100

(Source: Primary Data)

From table 9 Item 12 we can understand that more than 58% of the respondents have bright future career in the organization. Where as 33.3% of the respondents seem to be not quite sure about the brightness of their future career, and 8.3% have said their future career in the organization is not bright at all. Although majority of the respondents are optimistic about their future career in the organization, number of respondents are either not quite sure or are pessimist about their bright future in the organization.

An open ended question that says “do you believe that the leaders take appropriate decision on time? Majority of the respondents believe that the leaders do not give decision on time.

Decisions concerning disciplinary measures, employees complaints, purchase of raw materials, etc are not given on time. This decision delays could employees and customers dissatisfaction and this would finally create problems with the production and marketing activities of the organizations.

Second questions concerning employees complaints in the organization, some of the respondents believe employees are not fully participating in any decision making activities in the organization. They also complain that the delay in the procurement of raw materials due to delayed decision is affecting the performances of the workers and the machineries. This finally affects the production and the customers are forced to look at other competitors.

Summary of Interview results

The information obtained from the interview session is presented below:-

As per the respondents response leaders believe allowing employees participation decision making and organizational planning could motivate workers. Salary increment, bonus & training have also a big role in workers motivation which helps the organization to be productive and profitable.

Leaders of the organization also believe employees performance evaluation is very important to increase productivity. If employees with the low performance are observed, discussing & sorting out of the reasons for low performance would be appropriate. Transparent managerial style, smooth and timely information exchange with the workers could also help to bring together the leadership and the workers.

CHAPTER 4

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

This chapter summarizes the main findings of the study and presents conclusion and suggests recommendations for the identified problems based on the conclusion.

4.1. Summary

The findings of the study are summarized below:

1. More than 85% of the respondents believe the relationship between the leaders & followers at different levels of the organization is healthy.
2. Comments of the majority (80%) of respondents show treatment of the leaders at different level of the organization to the employees is equally and fairly.
3. Majority (53%) of the respondents believe that the level of communication with leaders of the organization and the employees is done often. Where as significant number (47%) of respondents believe communication is poor.
4. From the respondents view it can be clearly understood that the workers participation in decision making activity is not fully practical. It was only about 40% of the workers who said workers participate in decision making activities but the rest majority were not either aware about the workers participation in decision making activity or do not believe there is any.
5. Majority of the respondents believe the degree of leaders ability to understand their follower interest is considered to be high..
6. As far as the employees' satisfaction with the leadership style demonstrated by their leaders is concerned majority of the respondents are happy and satisfied with the leadership style but small number of respondents are not satisfied.
7. The employees believe that their future career in the organization is bright.

4.2. CONCLUSIONS

Based on the above findings the following conclusions are made:-

1. The healthy relationship between leaders and employees in the organization could create peaceful working environment which will help the factory to be productive and profitable.
2. The existing fair and equal treatment of workers can create a conducive environment and helps the employees of the organization to be highly motivated energetic and devoted in their activities.
3. Respondents believe the level of communication between leaders and employees is satisfactory. If communication is done smoothly and timely there will be mutual understanding, and good conflict resolution mechanism in the organization.
4. Employees participation in decision making is believed to be minimum by the respondents. If workers are not allowed to participate in decision making activities they would think as if they are deprived and neglected and this condition could be the cause of dissatisfaction and be resistant to change.
5. Leaders of the organization have got the ability to understand their follower's interest. This ability shows the leaders managerial power is high. This will help them to identify workers behavior and grievance and take corrective measures rapidly.
6. Most of the respondent seems to be satisfied with the existing leadership style. From the questioners response the organization is exercising democratic leadership style. This leadership style will produce creative and transformational leaders who are enable to create productive and self devoted workers.
7. Employees feeling of bright futurity in the organization would prevent workers turnover and dissatisfaction.

4.3. RECOMMENDATIONS

Based on the analysis of the data collected the following recommendations are given

1. The organization to be more productive and profitable it must establish an often communication with all the employees to understand their need and resolve problems.
2. Certain number of respondents believe that leaders of the organizations ability to understand their followers interest is low. Therefore the organization is recommended to upgrade the capacity of the leaders through training or workshops so that they can handle all employees appropriately.
3. Although the leadership style in the organization seems democratic style leadership a lot has to be done to implement the system fully and give the employees full awareness about the democratic leadership style.

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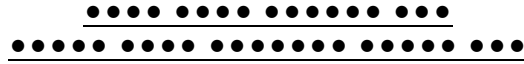
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APPENDICES



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Appendix B

Dear Respondent,

I am currently undertaking a research title “An assessment of Leadership Practices and Problems In Nefas silk Paints Factory ”. For the partial fulfillment of the BA Degree in Management issued by the institution.

This is, therefore, to kindly you spare time minutes and genuinely give your responses to the questions included in the questionnaire attached.

Please be also reminded that your responses will be kept confidential and there is no need of writing your name, for this purpose.

Thank you in advance for your kind cooperation.

Part I : Characteristics of the respondents

1. Sex

Male

Female

2. Age

- a) 20-29
- b) 30-39
- c) 40-49
- d) 50-59
- e) 60 and above

3. Educational status

- a) Read and write
- b) From 1-8
- c) From 9-12
- d) Diploma
- e) Degree and above

4. Years of Service in the organization

- a) 1-3 Years
- b) 4-6 “
- c) 7-9 “
- d) 10-12 “
- e) 13 years and above

Part II: Pertinent to the study

1. There is healthy relationship between the leaders and followers at different levels of the organization
 - a) Strongly agree
 - b) Agree
 - c) Undecided
 - d) Disagree
 - d) Strongly disagree

2. To what extent is the leader at different levels of the organization fair in giving equal treatment to their follower?
- a) To a very great extent
 - b) to a great extent
 - c) undecided
 - d) To some extent
 - e) to less extent
3. How often do leaders at different levels of the organization communicate with employee?
- a) Very often
 - b) Often
 - c) Undecided
 - d) Sometimes
 - d) No at all
4. To what extent you involved indecision making activities
- a) To a very great extent
 - b) To a great extent
 - c) undecided
 - d) To some extent
 - e) To less extent
5. What is the degree of leader's ability to understand their follower's interest?
- a) Very high
 - b) High
 - c) Neutral
 - d) Low
 - e) Very low
6. To what extent are the employees satisfied with the leadership style demonstrated

by their leaders

- a) To a very great extent
- b) To a great extent
- c) undecided
- d) To some extent
- e) To less extent

7. How is your future career in the organization?

- a) Extremely bright
- b) Bright
- c) Some what bright
- d) Not at all bright

8. To what extent does the leadership of the organization use the following leadership style?

Item	Responses (put a “✓” mark)				
	To a very great extent	To a great extent	To some extent	To less extent	Not at all
1. Autocratic leadership					
1.1. Set policies and procedure					
1.2. Control discussion with subordinates					
1.3. Exhibit poor lessening skill					
2. Democratic					
2.1. Solicit inputs from subordinate to formulate policies and procedures					

2.3. Exhibit effective listing skill					
3.Lasses -faire					
3.1. Allows subordinates to set polices and procedure					
3.2. Avoid discussion with subordinate					
3.3. Avoid conflict					

9. Do you believe that the leaders take appropriate decision on time _____

10. What are the main complaints that are raised by the employees in the organization?

11. If you have further suggestion please explain it _____

THANKYOU

Appendix C

Interview questions for leaders

This interview questions all prepared for the partial fulfillment to get first degree in management. As the interview is prepared to assess the effect of leaders on employee performance in the organization

- 1) You as leader, what methods do you use to initiate employees motivation in their work?
- 2) What measure you will take if employee's performance is below expectation?

- 3) Is there any kind of motivation to increase workers performance in the organization? Please explain it.
- 4) How is the degree of information flow between leaders and workers in the organization?
- 5) Are workers participating in decision making in the organization? If yes, to what extent
- 6) Do you believe that the current leadership style will sustain safely for the future? Please explain your reasons

Appendix D

ORGANIZATIONAL STRUCTURE OF NEFAS SILK PAINTS FACTORY

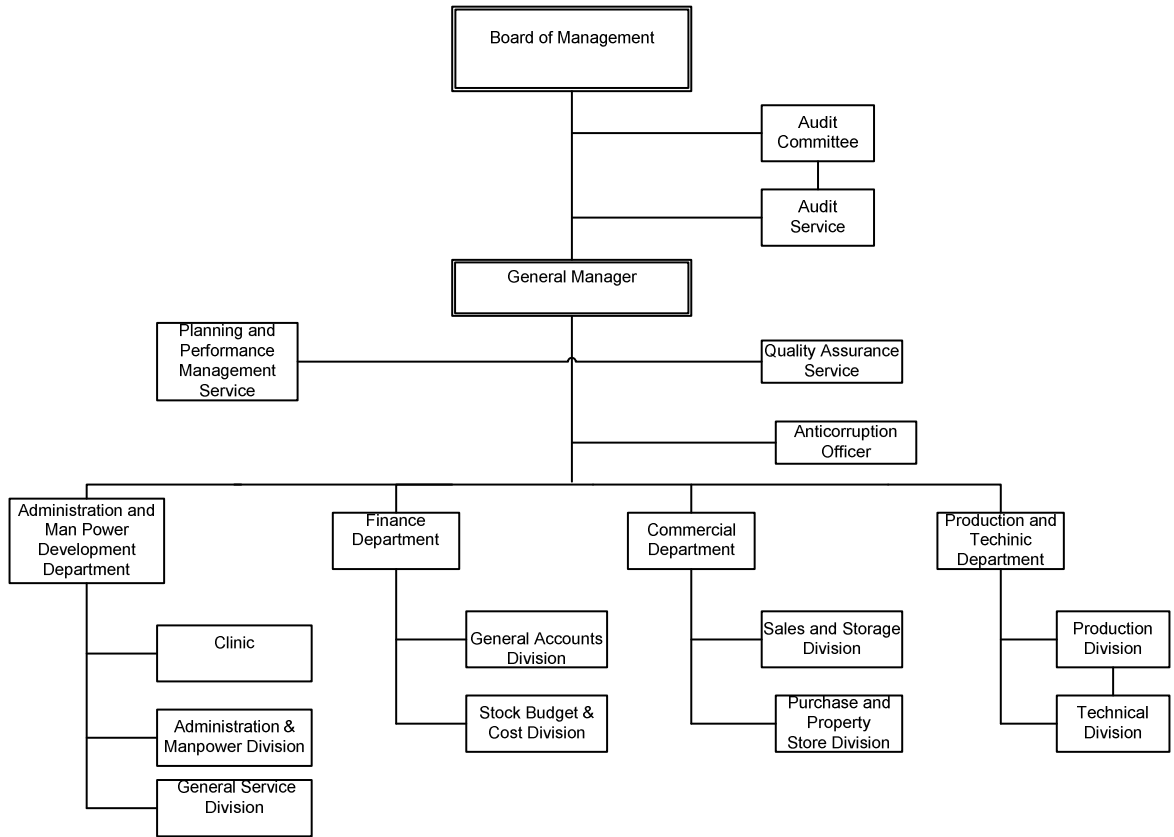


Chart 1. Organizational Structure of Nefas Silk Paints Factory