



**ST. MARY'S UNIVERSITY**

**SCHOOL OF GRADUATE STUDIES**

**DEPARTMENT OF BUSINESS ADMINISTRATION**

**THE EFFECT OF LEADERSHIP STYLE ON EMPLOYEES' JOB  
SATISFACTION: THE CASE OF WOYE LOGISTICS**

**BY**

**DAWIT WORKNEH**

**JULY, 2022**

**ADDIS ABABA, ETHIOPIA**

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**A PROPOSAL SUBMITTED TO ST. MARY'S UNIVERSITY, SCHOOL  
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**APPROVED BY BOARD OF EXAMINERS**

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## **Abstract**

*This study was entitled the effect of leadership style on employees' job satisfaction: the case of Woye Logistics. The reason of conducting this study is to determine the effect of leadership style on employees' job satisfaction in Woye Logistics. Throughout conduct the study, the researcher applied explanatory research design and mixed research approach. The study was addressed 417 employees; from this number researcher had taken 151 participants as a sample, and applied stratified sampling technique to address them. The study used primary and secondary data to reach a certain conclusion, collected data was analyzed by descriptive and inferential statistic by using SPSS 20. The findings help me to reach a certain conclusion these are three leadership styles like transformational, transactional and laissez-fair are applying jointly in the enterprise. Woye Logistics Employees are feel satisfaction, but they feel necessity to continue with employer. Leadership style has strong positive relationship with employee' job satisfaction but transformational leadership style has more effect on employees' job satisfaction.*

**Key words:** leadership, leadership style, job satisfaction, Woye Logistics

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Sincerely,

Dawit Workneh

# CHAPTER ONE

## INTRODUCTION

### 1.1. Background of the Study

In today to gain competitive advantage to enhance profitability to serve and satisfy internal and external customers to win the market share also the loss or the success of the enterprise depend in the hand of leader. Their attitude, behavior and personality affect directly or indirectly the productivity. Stogdill, (1974) says that "leadership is a process of influencing the activities of an organized group in its effort towards goal setting good achievement".

People you work with reflect your attitude by becoming more positive and dynamic. Leader set the pace and tone for their employee some leaders dressed fine clothing and see themselves as Excellency, greatest, as educated person they need best seats and give only direction on the other hand another leader is polite servant Listener, facilitate, encourage Serving others. (Elwood N Chapman, 1999).

Leadership is characterized as "the capacity to rouse certainty and backing among the general population who are expected to accomplish the association's objectives" (DuBrin, 2012). A regularly known saying, "Individuals don't leave organizations, they leave leaders" represents the significance of having the right leader set up. The way in which a person leads an organization, division, group or individual is alluded to as their leadership style. Leadership is a confused term, comprising of numerous definitions and qualities (Grimm, 2010). There are few diverse styles of leadership; not all leaders utilize the same style and there is not a predominant leadership style generally connected to specific geographical areas. Most leadership styles consist of five dimensions: Awareness, Vision, Imagination, Responsibility and Action. All five dimensions need to be considered at the individual, organizational, and societal level.

In the current period of mechanical and hierarchical advancements, viable execution requests employees to be capable, satisfied and conferred. Organizations need to discover how they can keep their employees fulfilled for their occupation. Job satisfaction is a subject of awesome enthusiasm to scientists from different fields of learning. Researchers are concentrating on employment satisfaction since it is with execution and responsibility.

Despite all the differences in the interpretation of job satisfaction, its significant role has never been underestimated in terms of effective performance and successful productivity.

As Seashore and Taber (1975) clarified, job satisfaction for the most part is affected by inner organization environment. This environment contains authority sorts, authoritative atmosphere and work force leadership. At the individual level, leaders who can impact, persuade and coordinate employees will regularly be remunerated by faithfulness and execution of their workers (Mosadegh & Yarmohammadian 2006). Great and successful leaders matter to the general execution and prosperity of the organization and its individuals; they likewise matter to different partners of the organization, for example, the clients and the general public on the loose. At the end of the day, compelling leadership is a foundation in life, when all is said in done, and in making organizations' progress, specifically.

Woye Logistics is a logistics service company in Ethiopia. The organization utilizes a mobile application and a call center operation that allows people to book any kind of shippers from small pick-ups to big trucks to move their cargo from a pick up location to any destination within Ethiopia. The application and operators connect customers to drivers near their location.

## **1.2. Statement of the Problem**

In a competitive business world all organization need to get a competitive advantage against one another, thus they want qualified employee to undertake the business efficiently and effectively, because without qualified manpower contribution business organization couldn't succeed and administering the organization perfectly. Therefore, employees should be handled and lead properly but the trend it shows that in most organization leaders didn't practice leadership qualities and behavior in different reason, consequentially this knowledge gap will expose employees for feeling disappointment. When it grows up it might create impact on employee's turnover, because sometimes the company leadership style may not be preferred by employees'.

According to Neil (2014) as cited in Melum (2002 p. 60) referred to leadership is the ability to demonstrate when you influence other to act in particular way. Through direction, encouragement, sensitivity, consideration, and support, you inspire your follower to accept challenge and achieve goal that way be viewed as difficult.

There are different leadership styles existing in the world like autocratic, bureaucratic, laissezfaire, charismatic, transformational, and transactional leadership style. Each leadership style has been their own nature and characteristic and also all leadership styles has their own place where its success towards leading employees absolutely.

Rochelle (UD) as cited in Spector (1997, p.112) as he said Employee satisfaction is the way people feel about their job and the different aspect of their job. According Voon, Lo Ngui..et al.. (2011) as cite in Robbins (2005) Kehurst, Comeche and Golindo (2009, p. 25) state Job satisfaction is pleasing emotional state from the appraisal of one's job, this indicates that people develop attitude to their job by considering their emotion.

Employee satisfaction is determining by different factors such as compensation package, working condition, communication among employee, and company leadership style. The types of leadership style we apply can determine the level of satisfaction mean, it is able to either motivate or discourage employees. As Heidi Chang (UD) said increase in job satisfaction cannot be separated from the role of leader in the organization. Employees' perception towards leadership behavior is an important predictor of employees' job satisfaction and commitment (Lok & Grawford Jaskyt 2004, p.228 cited by Cetin.Kalabay and Efe 2012, Fasika Yalew 2016)

Several studies have also examining the relationship between factors like leadership style and employee satisfaction and occur that leadership has a significant impact on job satisfaction and organization commitment (Lok& Crawford 1999.William & Hazar, 1986, Mosadegh Rad &Yarmo Hamonadian, 2006, p. 24 cited by Voon, Lo Ngui... et al. 2011, Fasika Yalew 2016)

During preliminary survey, the researcher gathered some information that were required to examine the enterprise leadership problem in deep. After preliminary survey the researcher tried to know main leadership problems these are; they don't offer contingency reward for employees, employees are not considered as a participant in decision making process, leaders prevent problems when the problem occurred and they are not giving a mandate for employees to make their own decision. The above enterprise leadership practice problems may create effect on job satisfaction either directly or indirectly means, if the practice is not appreciating and preferred by employees, they feel job dissatisfaction because leadership style can affect employees job satisfaction. For efficiency purpose an effective leadership style one that positively affect employee satisfaction (Jurner and Maver ,2005 cited by Beloni 2012 p.115). Cetin, Karabay and

Efe (2012) as cite in Chen and Spector (1991), Brackner (1998) Decremer (2003 p.31) also noted that negative leader employee interaction can have a negative influence on employee satisfaction sign of stress and unwilling to go to work.

So the main reason for conducting this study will be to analyze the gaps in Woye Urban Logistics context that occur between enterprise leadership style and how they do perceive the existing leadership practices, to answer whether employees are satisfied or not and what is the contribution of leadership style in job satisfaction because it highly relates with organizational performance, whether it succeeds or fails. For this reason, the study distinct enterprise leadership style, measure employees' job satisfaction, the relationship between leadership style and employees' job satisfaction and it also show the effect of leadership style on employees' satisfaction in Woye Urban Logistics context only. In order to full fill this knowledge gap, the study will address the following questions.

### **Research Questions**

When the researcher undertakes this study, the research will address the following questions,

- What is the effect of leadership styles on employee job satisfaction?
- What is the relationship between leadership styles and employee job satisfaction?
- Which leadership style is highly related to employees' job satisfaction?

### **1.3. Objectives of the Study**

#### **1.3.1. General Objective**

The general objective of this study will be to examine the effect of leadership style on employees' job satisfaction in the case of Woye Urban Logistics.

#### **1.3.2. Specific Objectives**

- To assess the effect of leadership style on employee job satisfaction
- To determine relationship between leadership styles and employee job satisfaction
- To determine which leadership style is highly related to employees' job satisfaction

#### **1.4 Significance of the study**

The main reason of conducting this study will be the importance to show the gap between leadership style and employees job satisfaction for an organization. The findings will help managers to identify the area of improvement related with leadership style and to solve the entire problem based on information which will be collected from respondents, on the other hand the study has been beneficiary some groups like researcher and organization as whole but it will involve managers, employees, customers and stakeholders.

#### **1.5 Scope of the Study**

This study is descriptive in nature and it has studied the effect of leadership styles on employees' job satisfaction and only limited to Woye Logistics working process in Addis Ababa. This research includes all current employees working in Woye Logistics in year 2022. The study investigates the effect of leadership styles on employees' job satisfaction. The study has examined dimensions of transformational, transactional and laissez faire leadership styles as independent variables to measure their effect on dependent variables which are dimensions of job satisfaction.

#### **1.6. Definition of Terms**

**Leadership:** Leadership is defined as influence that is the art or process of influencing people so that they will strive willingly and enthusiastically towards the achievement of group goal (Wehrich and Koontz 1994).

**Leadership style:** Leadership style state characterizes the interaction b/n leader (managers) and their follower (staff member) is most important in terms of employee efficiency and productivity (Belonio 2012).

**Laissez-fair leadership:** leader attempt to exercise very little control or influence over group member, a member is given a goal and mostly left alone to decide how to achieve it (Herbert and Ray 1981).

**Transformational leadership:** The leaders who transform vision in the reality and motivate people to transcend their personal interest for the good of group (Bateman and Snell 2003)

**Transactional leadership:** transactional leaders clarify organizational role and task, set up on

organizational structure, reward performance and provide for the social needs of their follower (WehrichVonnice and Konntz2008).

**Job Satisfaction:** psychological and disposition of people towards their work Kaila (2012) cited Schalty (1982).

### **1.7. Organization of the Paper**

The study will be organized in five chapters, the first chapter will deal with introduction part of study (statement of the problem, research question, objective scope of the study), the second chapter will be involved related review literature (theoretical and empirical and conceptual framework), the third chapter will focus on research design and methodology (research design and approach, data type source and method of collection, target population and sampling design and data analysis technique). The fourth chapter was contained result and discussion (analysis, interpretation), the final chapter contained summary, conclusion and recommendation.

## **CHAPTER TWO**

### **REVIEW OF RELATED LITERATURE**

#### **2.1. Theoretical Literature**

In any organization there are different factors that affect organization accomplishment, those factors are emerging either within the organization or outside the organization and these are an obstacle for organization to the accomplishment of goal, and one of the factors which exists in an organization is leadership style of the company. According to Chandan (1997) if there is any single factor that differentiates b/n successful and unsuccessful organization, it could be considered as dynamic and effective leadership or the lack of it, in managing no matter how competent you are as a manager and decision maker, your ultimate success will depend upon whether you are able to lead it.

##### **2.1.1. Leadership Style**

Most of the time, in the process of direct, influencing and motivating employee's leaders using various leadership styles that fit with the existing situation because based on situations like employee character in terms of educational background, age, sex, working culture, sector of business, nature work, work environment and other factors, from this point of view the type of leadership style that we desire is indifferent because one leadership style might not be successful in all circumstances.

Leadership style characterizes the interaction b/n leaders (managers) and their followers (staff member) as most important in terms of employee efficiency and productivity (Belonio, 2012).

According to Herbert and Ray (1981), Goitom (2012) it is a behavior exhibited by a leader during supervision of subordinate., a leader's typically way of behaving towards group members can be classified as "leadership style". Is the leader autocratic, rigid, controlling or a democratic one asking for group opinion? or laissez faire leader who takes little action to influence the group. James, Edward and Daniel (2009) mentions that the two leadership functions: task related and group maintenance tend to be expressed in different leadership styles. As view of Weirich, Vannice and Koontz



(2008) fielder set forth two major style of leadership one of this is task oriented, that the leader gaining satisfaction from seeing task performed, the other one is primary focus on achieving good interpersonal relationship and attaining a position of personal performance.

#### **2.1.1.1. Transformational Leadership**

James, Edward and Daniel (2009), explain transformational leadership style as a leader who through their personal vision and energy, inspire follower and have a major impact on their organization. According to Ann (2007) leader need to have vision and be creative, innovative, and capable of inspiring others. Transformational leadership's distinguishing feature is the ability to bring about significant change, leaders do this by motivating follower, not just to follow them personality but also to believe in vision of the organization or political transformation.

It emphasizes on follower intrinsic motivation and personal development, seeking to align follower aspiration and need with desired organization outcomes (Cetin, Karabay and Efe 2012). Leaders encourage their staff to internalize the process of creativity thinking by providing intellectual stimulation (Jang, Chow, and Wu, 2003 cited by Cetin, Karabay and Efe 2012 p.230).

As Griffin (2000) said leadership that goes beyond ordinary expectation by transmitting a sense of mission, stimulating learning experience and inspiring new way of thinking because transformational leaders increasingly are seen as vital to the success of business.

The leaders who transform vision into reality and motivate people to transcend their personal interest for the good of group (Bateman and Snell, 2003) as he said transformational leader get people to transcend their personal interest for the sake of the larger community. Wehrich, Vannice and Koontz (2008) transformational leader can shape organization culture and create a climate favorable for organization change. A research has found that when leaders engage in transformational leadership that subordinates tend to have higher level of job satisfaction and performance (James and George, 2009).

Ibraheem, Mohammad, Al-Zaad.et al. (2012) it requires a careful leadership with clear vision which believes that success excellence and creativity require constant adoption with external changes. Ibraheem, Mohammad and Al-Zaad (2012) cite Yammarino (1994) defined

transformational leadership as the one which motivates follower to do more than they are expected to do in way that upgrades the individual level of awareness of the importance and value of output and how they are produced.

James and George (2009) list 3 way of transforming subordinates

- Have increased awareness of the importance of their job and high performance.
- Are aware of their own need for growth, development and accomplishment.
- Work for the good of the organization and not just their own personal benefit: as he said when leaders transform their subordinate in these three ways, subordinates trust the leader and highly motivated and helps the organization to achieve its goal.

Transformational leaders seek to match follower interests and needs with the most desired organization outcome and faster follower's commitment to the organization by inspiring them to go beyond their expected level of performance (Mila, Nichale, Karlos, Jackko and Ali, 2006; Bass and Riggio, 2006; Bass, 1998; cited by Tetteh and Brenyah 2016 p.13).

It as a leadership style that seeks to positively transform the followers and achieve the desired change through strategy and organization structure (Rex et al., 2012 cited by Mohammad, DjabirNadHaris.et al. 2016 p. 682).

### **2.1.1.2. Transactional Leadership**

Leaders who determine what subordinate need to do achieve objective, classify those requirements and helps subordinate become confident they can reach their objective (James, Edward and Daniel 2009, Wehrich, Vonnice and Koontz 2008, Stoner, Freeman and Gilberts, 1998). It emphasizes on work standard, assignment and is task- oriented. It focuses on task completion and employee compliance. It relies on organizational rewards and punishment to influence employee performance (Burns, cited by Belonio 2012 p.113). Tetteh and Brenyah (2016) cite Northouse, (2010 p. 14) transactional style of leadership on the other hand is the kinds of leadership that gains acceptance through the use of reward, promises and by giving other form on incentive and remuneration that would satisfy followers' immediate needs and enhance immediate performance.

As the view of Bateman and Snell (2003) transactional leaders view management as a series of transactions in which leaders use their legitimate, reward and coercive power to give commands

and exchange reward for service rendered. It doesn't excite, transfer power or inspire people to focus on the interest of the group or organization.

These theories proposed on exchange of wants between leaders and followers (Avolid, 2007; cited by Saeid 2014 p.18). Transactional may be tangible or psychic, however these relationships don't last long transactional leadership concern itself with granting, rather than exerting power (Saeid, 2014).

According to WehrichVonnice and Konntz (2008) transactional leaders clarify organizational role and task, set up on organizational structure, reward performance and provide for the social needs of their followers. Nidadhavolu (2018), cit Burns (1978) referred to transactional leadership as to one that focuses on the exchanges that happen b/n leader and their follower similarly to managers who offer raises to employees who exceed their goal are displaying transactional leadership.

James and George (2009) Transformational manger use their rewarding and coercive power to encourage high performance as he said manager who effectively influence their subordinate to achieve goal yet do not seem to be making the kinds of dramatic change that are part of transformational leadership.

### **2.1.1.3. Laissez- Fair Leadership**

Herbert and Ray (1981) leaders attempt to exercise very little control or influence over any group member, a member is given a goal and mostly left alone to decide how to achieve it. Laissezfair style leaders maintain a hand off approach and are rarely involved in decision making and contributing any guidance and direction (Nidodhavolu, 2018) the subordinate of laissez-fair leaders have to seek other sources to assist them in making the final decisions (Liphadi, Aigbovboa, Thwalu, 2015; cited by Nidohavola 2018 p.21).

The leader gives wide latitude to this follower in planning their own performance, free –rein leader permit the follower to set their own goal and to adopt means of achieving them (Chatterjee 1996). As view of Wehrich, Vonnice and Koontz (2008) laissez fair leaders use his or her power very little, if any at all, giving subordinates a high degree of independence in their operation. Goitom (2012) list characteristic of laissez fair leadership style as follow

- Leader doesn't set goal to the group
- Decision is made by whoever in the group is willing to make it
- Individual may have little interest in their work
- Moral and team work are generally low
- Usually productivity is low and work is sloppy

A leader who avoids or doesn't not interfere with the work assignment or may entirely avoid responsibilities and does not guide or support the followers can be considered as a laissez-fair type of leader (Nidodhavolu, 2018). This style of leadership doesn't make decisions regularly and offers little care or guidance in a sense of encouragement to their subordinate (I bid).

### **2.1.2. Leadership Theory**

During the first several decades of this century a number of different theories and approach to studding have been developed

#### **2.1.2.1. Trait Theory**

Chandan (1997) "Ralph Stodgily" who studied the subject of leadership states "a person becomes a leader by the virtue of the possession of some combination of trait, the pattern of personal characteristic activities and goal of the followers". As view of Chandan (1997) leaders are born and not made and leadership is a function of such inborn trait as intelligence, high motivation perception, socio economic status, maturity, need for actualization, self-assurance and so on.

"Eugene E. Janming" concluded "fifty years of studies have failed to produce proof that only personality traits or set of qualities can be used to identify a leader" (Chandan, 1997). But a leadership study concerned with identification of leadership trait or qualities list ten essential qualities of leaders as suggested by Ordway Teud, include physical, sense of purpose, enthusiasm, friendless, affection, integrity, technical mastery , decisiveness, intelligence, teaching skill, and faith (Chatterjee, 1996).

James and George (2009) state that a decade of research beginning in the 1930 and hundreds of studies indicate that certain personal characteristics do appear to be associated with effective leadership but trait alone are not the key to understand leader effectiveness.

### **2.1.2.2. Behavioral Approach**

Chandan (1997) the behavioral approach studies leadership by looking at leaders in terms of what they do “this theory is contradicting with trait theory b/c trait theory focus on personality of individual who are leader means it describe leader in terms of “what they are” According to Chnadan (1997) leadership effectiveness is determined in terms of how leaders delegate their task, how they communicate with and motivate their follower. Notable among research studies in this area are the one conducted at Ohio state university and university of Michigan, these studies defined two independent dimensions of leader behavior. These two dimensions are:

- A. **Consideration:** it refers to the extent to which there is a rapport between a leader and the group (Chandan, 1997). Chatterjee (1996). The degree to which the leader behavior towards his follower is characterized by mutual trust, mutual respect, support for subordinate’s idea and regard for their feeling. A manager who truly looks for the wellbeing of their subordinate and do what they can to help subordinate feel good and enjoy their work perform consideration behavior (James and George, 2009)
- B. **Initiating structure:** it refers to the extent to which a leader is taking structure oriented, makes effort to get things organized and get the job done and his abilities in utilizing resource and personnel at optimum level. It deals with how leaders define and organize their own role as well as the role of subordinates (Chatterjee, 1996).

According to James and George (2009) assigning task to individual or work group, letting subordinates know what is expected of them.

### **2.1.2.3. Contingent Approach**

As view of Chandan (1997) the effectiveness of leader behavior is contingent up on the demand imposed by the situation. The focus is on the organizational situation and not on the leader’s own situation. It demands different characteristic and behavior b/c each type of leader faces different organizational situation. According to Chatterjee (1996) leaders are the product of given situation in contrast to the emphasis on human personality, the situation approach sees leadership primarily as resultant of interaction of people in group in certain circumstances.

### 2.1.2.3.1. Fiedler Contingent Theory

As James and George (2009) state, Fiedler contingent moderate help why manager may be an effective leader in one situation and ineffective in other. Fiedler proposed a theoretical explanation for interaction of three situational variables which affect the leader's effectiveness. These three variable are: (1) leader-Subordinate relation (2) task structure (3) leader positional power these variables determine the extent of the situation control that the leader has (Chandan 1997, Chatterjee 1996, Wehrich, Vannice and Koontz, 2008).

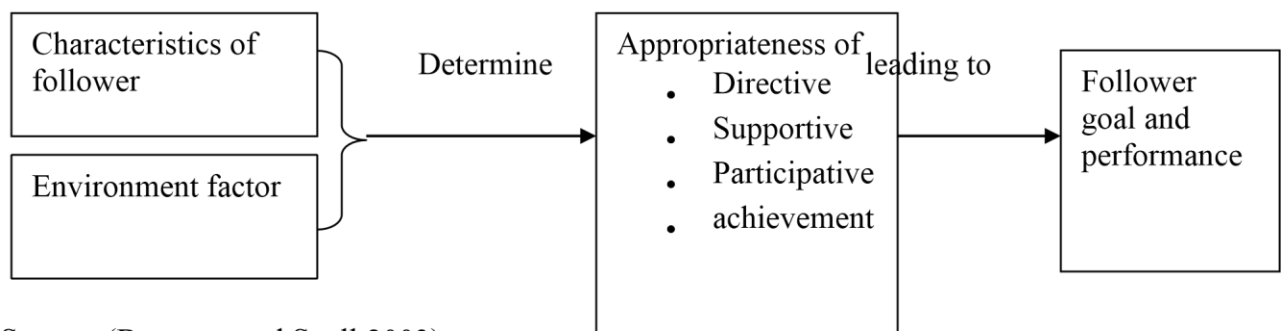
### 2.1.2.3.2. Path Goal Theory

This model emphasizes that the leader's behavior must complement the group work setting and group aspiration so that it increases subordinate motivation to attain personal and organizational goal (Chandan, 1997). As with expectancy theory it also calls for linkage b/n effort and performance as well as b/n performance and goal accomplishment (Chatterjee, 1996).

In the view of Griffin (2000) primary function of a leader are to make values or desired reward available in the work place to clarify the kinds of behavior that will lead to goal accomplishment. According to Bateman and Snell (2003) this theory is concerned with how leaders influence subordinate perception of their work goals and the path they follow towards attainment of those goals.

The key situation factor in path-goal theory are: (1) personal characteristic of follower and (2) environment pressure and demand with which follower must cope to attain their work goal (Bateman and Snell, 2003)

Figure 2.1. Path goal frame work



Source: (Bateman and Snell 2003)

As the view of Wierich, Vannice and Koontz (2008) the main function of leader is clarity and to set a goal with subordinate, help them find the best path for achieving the goal and remove

obstacles. This theory categorizes leader behavior into four groups (1) supportive, (2) participative, (3) instrumental and (4) achievement oriented leadership.

### **2.1.2.3.3. Situational Leadership Theory**

This model is developed by Paul Hersey and Kenneth Blanchard, it was originally known as the “life cycle theory” and it focuses on the “maturity of the follower as a contingency variable affecting the style of leadership.” Maturity of subordinate can be defined as their ability and willingness to take responsibility for directing their own behavior in relation to a given task (Chandan, 1997). The goal of situational leadership theory then is to identify key situational factors and to specify how they interact to determine appropriate leader behavior (Griffin 2000).

Wehrich, Vannice and Koontz (2008) situational theory is the belief that leader is product of a given situation. As view of Stoner, Freeman and Gilberts (1998), Paul Hersey and Kenneth H. Blanchard situational leadership which holds that the most effective leadership style varies with “readiness” of employee, Hersey and Blanchard list four phases as employees develop and manager needs to vary leadership style in 1<sup>st</sup> phase is that readiness to carry out/delegate high amount of task by manager is most important. 2<sup>nd</sup> phase followers beginning to learn their task remains essential because they are not yet able to function without instruction. 3<sup>rd</sup> phase employees have more abilities and achievement motivation begin to surface and they actively begin to seek greater responsibility. 4<sup>th</sup> followers gradually become more confident self-directing to reduce the amount of support and encouragement (Stoner, Freeman and Gilbert, 1998).

### **2.1.3. Employee satisfaction**

#### **2.1.3.1. Concept of Employee Satisfaction**

According to Kaila (2012) as cited in Smith (1969) employee satisfaction is the feeling that an individual sees beauty in his/her job. Kaila (2012) as cited in Lock (1969) suggests that employee satisfaction was a positive or pleasurable reaction resulting from appraisal of one's job, job achievement or job experience.

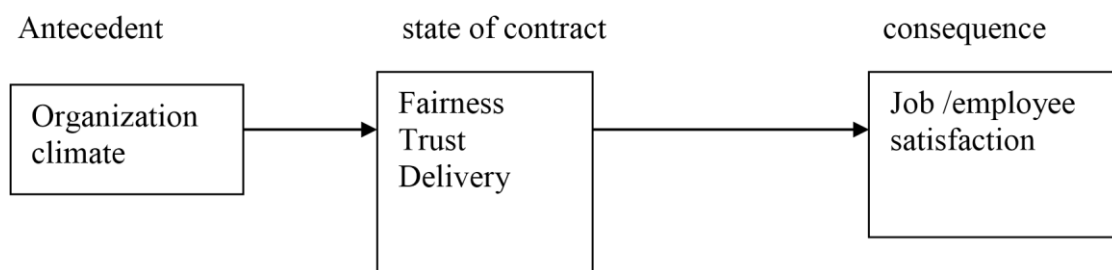
Voon, Lo and Ngui et al. (2011) as cited in Mosadegh Rad and Yarmohamadian (2006 p.28) state employee job satisfaction refers to the attitude of employee towards their job and the organization which employs them. Employee satisfaction is generally regarded as an important

ingredient for an organization’s success. A successful organization would normally have satisfied employee while poor job satisfaction can cripple an organization (Galup, Kelin and Jiang, 2008 cited by Voon, Lo, Ngui et al. 2011).

The important of employee job satisfaction at work in contemporary time cannot be over emphasized especially in this highly dynamic and complex business environment where the human beings are regarded as the organization’s most valued asset which is a major tool for competitive advantage (Mosadegh-Rad and Yamohammadian 2006 cited by Tetteh and Brenyah 2016 p.12).

Job satisfaction has been influenced by many organization factors ranging from salaries job security, work place condition to leadership (Cetin, Karabay and Efe, 2012). Job reflect people attitude toward their job and the organization they work for. Job satisfaction can be typically defined as the emotional reaction of an employee towards their work, on the basic of comparing the actual result and the expected ones. Job satisfaction can be compared to a multi-dimensional structure including the employee feeling towards adverse a group of intrinsic and extrinsic componenst (Ibraheem, Mohammad, Al-Zeaud..et al..2011). Job satisfaction is pleasant feeling resulting from the perception that one’s important job value (Noe 2008 cited by Romos 2014).

Figure 2.2. A model of psychological contact



Source: guest (2001) cited by Kaila (2011).

The definition of employee satisfaction has visibly evolved through the decade but this version shares the belief that job satisfaction is a work related to positive affection relation (I bid). Kaila (2012) cited Wexley and Yuki (1984) stated that job satisfaction is influenced by many factors including personal trait and characteristic of the job. This theory later focused on the presence or absence of a certain intrinsic and extrinsic job factors that could determine an employee’s job satisfaction.



### **2.1.3.1.1. Intrinsic satisfaction**

Voon, Lo, Ngui..et al..(2011) cite Hirschfield (2000) state intrinsic job satisfaction refers to how people feel about the nature of the job of the task. Tetteh and Brenyah (2016) as cited in Hirschfield (2000 p. 16) relates to the feeling and emotional attachment people have about the nature of the task itself (special assignments or project being undertaken, activities carried out for its own sake).

### **2.1.3.1.2. Extrinsic satisfaction**

How people feel about aspects of the job that are external to the job, task or work itself (Shim, Lasch and Obrien, 2002 cited by Voon, Lo, Ngui..et al.. 2011 p.26). Extrinsic satisfaction relates to the feeling people have about the aspect of the job satisfaction that are external to their task such as working condition, management practices policies and procedures, rules and regulations (Hirschfield 2000 cited by Tetteh and Brenyah 2016).

## **2.1.3.2. Theory of employee Job Satisfaction**

### **2.1.3.2.1. Content Theories**

The earliest content theory was Abraham Maslow's "hierarchy off need" traditional view of the job satisfaction was based on his five tier model of human needs as cited by Kaila (2012).

### **2.1.3.2.2. Process Theories**

It attempts to explain job satisfaction by looking at expectation and actual value (Gruenberg 1979) cited by (Kaila 2012). This theory job satisfaction suggests that job determines their behavior in order to meet their needs (Kaila,2012).

### **2.1.3.2.3. Situational Theories**

This theory determines job satisfaction by two factors situational characteristic and situational occurrence. Situational characteristics are things such as pay, supervision, working condition, promotion opportunities and company policies that typically are considered by the employee before accepting the jobs. Situational occurrence are things that occur after taking a job that may be tangible or intangible, positive or negative (Kaila, 2012).

## 2.2. Empirical Review

Several studies have also examined the relationship between two factors and concerned that leadership has a significant impact on job satisfaction and organization commitment (Lok and Crawford, 1999, 2001; William and Hazar, 1986; Mosadegh Rad and Yarmhammadian ,2006 cited by Voon , Lo and Ngui...et al 2011 p.24).

Employee perception of leadership behavior is an important predictor of employee job satisfaction and commitment (Jaskeyte, 2004, cited by Belonio 2012). For efficiency purposes, an effective leadership style one that positively affect employee satisfaction (Jurner and Maver ,2005 cited by Beloni 2012 p.115). Cetin, Karabay and Efe (2012) as cited in Chen and Spector (1991), Brackner (1998) Decremer (2003 p.31) also noted that a negative leader-employee interaction can have a negative influence on employee satisfaction sign of stress and unwilling to go to work.

As view of Belonio (2012) a combination of various leadership style will bring more satisfaction and enhance employee performance. Leadership style relates positively with how employees perceive their job as well as their overall satisfaction at work (Bycio, Hackett and Allen,1995; Niehoff, Enz and Grover, 1990 cited by Tetteh and Brenyah 2016 p.15).

Tetteh and Brenyah (2016) state the relationship between leadership style and employee satisfaction as follows

- Style of leadership in the mobile telecommunication sector of GHANA play an important role in enhancing the satisfaction level of employees at work hence a manager needs to developing desired style of leadership that facilitate employee's satisfaction and commitment at work.
- Dimension of transformational leadership style are positively related to employee satisfaction at work with individualized consideration in aspiration motivation and intellectual stimulation dimension influencing satisfaction extrinsically whilst being inspirational, motivational, idealized influence and intellectual stimulation influence satisfaction intrinsically.
- Two of the dimension of transactional leadership: contingent reward and passive management by exception have insignificant relationship with employee's intrinsic

satisfaction, however the relationship with employee extrinsic satisfaction is positive and significant, but active management by exception dimension of transactional leadership showed an insignificant relationship with satisfaction both intrinsically and extrinsically.

Leadership style is one of the significant concept affecting employee attitude and behavior which might also affect the feeling and thought of the employee (Cetin, Karabay and Efe, 2012). As they said effective leadership and employee job satisfaction are considered to be the fundamental factor for organization success employee are the most important asset in the organization by adopting appropriate leadership style leader can affect employee job satisfaction, the study it shows leadership affect the job (Cetin, Karabay and Efe, 2012).

Mohammad, Djobir, Haris...et al (2016) cite Jaussi and Dionne (2004 p.683) said that leaders play an important role towards employee satisfaction, Judge and Locke (1993), said that the leadership style is one of the determinant of job satisfaction then Seltzer and Bass (1990) also showed a significant relationship b/n transformational leadership and effectiveness of job satisfaction of subordinates.

Five leadership styles such as transactional, transformational, autocratic, charismatic and situational leadership style have a positive correlation with employee satisfaction. An analysis of variance found no significant difference in employee satisfaction based on gender or age and a significant difference in employee satisfaction based on age (Saeid, 2014).

Devi (2016) cite Bass (1990 p. 510) studied that favorable attitude towards supervision helped to achieve employee job satisfaction specifically. It is suggested that level of job satisfaction under laissez- fair leadership is also less than under democratic leadership style.

Transformation leadership style factor is better than the two other styles (transactional and laissez- fair) in terms of employee staying in their job as well as job satisfaction (Dahlen, 2002; Breruggren and Severinssan,2003; Fletcher, 2001; Bass and Avolio, 1990; Northouse, 2001; Dviretal, 2002 Waldman et al. 2001 cited by Ibraheem, Mohammad, Al-Zea ..et al,.. 2011 p.39).

As view of Baloni (2012) transformational leadership was seen to have a positive effect on two significant subscale of job satisfaction. Transformational leadership style has a positive relationship with job satisfaction (Voon, Lo and Ngui.. et.al 2011). Transformational leadership

pattern reduces work pressure and raise employees oral resulting in promoting their job satisfaction (Ibraheem, Mohammad and Al-Zeaad.et al 2011).

There is a significance positive relationship existing between the five dimension of transformational leadership and two dimensional of job satisfaction. All dimension of transformational leadership were more positively correlated with intrinsic rather than extrinsic job satisfaction meaning that transformational leadership dimension creates a good environment that increase job satisfaction (Ibraheem, Mohammmad and Al-Zeaad.. at al 2011).

Ramos (2014) transformational leadership style of the manager of PS bank has been formulated to increase the level of job satisfaction among its employees the greatest factor that influence their satisfaction are compensation and job security. Transformation leadership style on job satisfaction has a positive and significant effect indicating that the transformational leadership style enhanced quality and will influence and improve employee satisfaction (Mohammad Djabir and Haris.. et al..2016). transformational leadership variable significant effect on job satisfaction of private enterprise employee, this indicate transformational leadership creates impact on employee satisfaction (Mohammad, Djabir, and Haris..et al.. 2016).

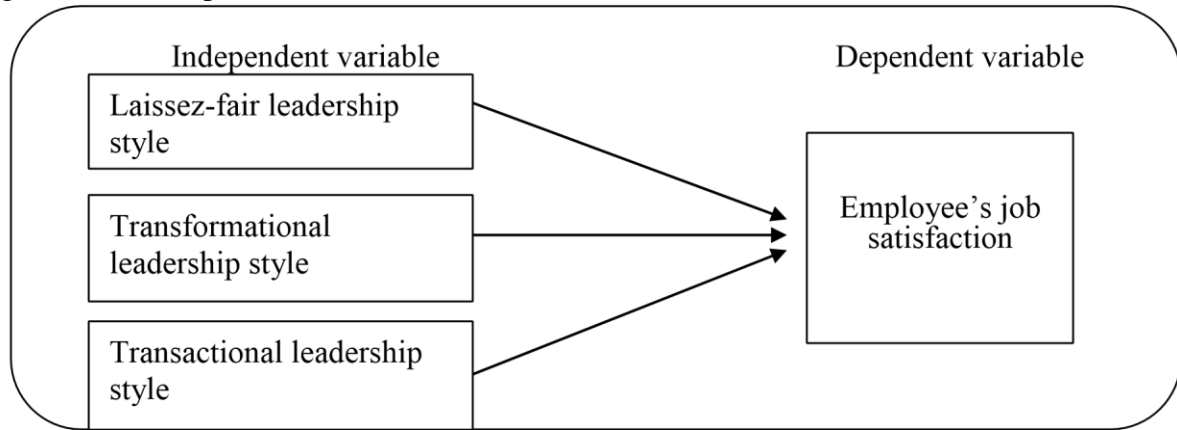
There is a significance relationship that exists between laissez-fair leadership style and job satisfaction (Devi 2016). As view of Chiles (2015) laissez-fair leader supervisor positively influenced job satisfaction by leading without micro managing but allowing follower to make decision.

Devi (2016) as cite in Bass (1990 p. 510) studied that favorable attitude towards supervision helped to achieve employee job satisfaction specifically. It is suggested that level of job satisfaction under laissez- fair leadership is also less than under democratic leadership style.

### **2.3. Conceptual Frame Work**

Figure 2.3 deals about the effect of independent variables in dependent variable. Independent variables are the leadership style (laissez-fair, transformational and transactional) and dependent variable is employee's job satisfaction

Figure 2.3. Conceptual Frame Work



Source: Adopted by Belonio 2012

## **CHAPTER THREE**

### **RESEARCH DESIGN AND METHODOLOGY**

#### **3.1. Research Design and Approach**

To conduct this study, the researcher used mixed research design because the study is more focused on how leadership style affect employees' job satisfaction, means two variables were examined in the study, such as employees' job satisfaction as dependent variable and leadership style as independent variable. Therefore, explanatory research design is more preferred for this study to show the effect one to another.

The researcher exploited mixed (qualitative and quantitative) research approach. In this study quantitative data was gathered from employees through questionnaire and also collected qualitative data from managers through interview. Therefore, the researcher used mixed research approach.

#### **3.2. Data Type and Method of Data Collection**

##### **3.2.1. Data Type**

When conducting the study, researcher used primary and secondary types of data. Primary data was gathered from participant directly to reach a certain conclusion. The main reason of using primary data is the information is first hand and timely. In addition to that it also used secondary data which collected from journal, reference book, previous study. The reason is its less costly, already available for further purpose and it supports the finding.

##### **3.2.2. Method of Data Collection**

Primarily the study will use interview and questionnaires as a data collection method. The Questionnaire will be adopted by (Allen, 2010)., from several alternatives of questionnaire types, the researcher selected LIKERT scale close- ended questionnaire because it's easy to fill, simple to construct, likely to produce highly reliable scale, easy to analyzed, interpret and manipulate data.

In addition to questionnaire, personal structure Interview will be developed for the manager which prepared in simple, clear language and prepared sequentially, because it gives the opportunity for the respondent to express their own idea on details, to collect more issue which is related with the subject matter, to support the finding, link with employees' response and to compare what leaders are saying with what employees are perceiving.

### 3.3. Target Population and Sample Design

When the researcher conducts this study, 417 population consisting of all employees will be targeted and involved employees located at the organization's head office and those dispersed throughout the city.

Table 3.1. Number of employees in each department and total number of employees

N <sup>o</sup>	Department	Number of employee
	Corporate sales	2
	Driver management and service	410
	Finance	2
	Marketing	3
	total number of employee	417

Source: company HRM department 2022

total population	<b>417</b>	<b>100%</b>
------------------	------------	-------------

Source: developed by researcher 2022

Selecting appropriate sampling technique and sample size for any study is very important to reach a certain conclusion. The study used probability sampling technique because the number of population is known and everybody has equal chance to be selected, but the researcher addressed target populations through their representative sample.

From probability sampling the researcher exploited proportional stratified simple random sampling, because the organization has 4 departments like corporate sales, finance, driver management and service, and marketing, but sectors are heterogonous each other. therefore, each sector was allotted own sample based on their number of employees it has, for that reason the study gave proportional number of sample unit for each stratum. The final sample size was reached 151 by using Yamani (1967) formula:

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

Source: The formula was developed by Yemani (1967)

Table 3.2. Sample Distribution for Each Sector

sector	Number of employee	sample distribution
corporate sales	2	2



driver management and service	410	144
finance	2	2
marketing	3	3
total population	<b>417</b>	<b>151</b>

Source: developed by researcher 2022

### 3.4. Procedure for Data Collection

Before going to collect data, the researcher requested the company in formal letter in order to get permission and to get appropriate information from right person. After the organization approved the letter, the researcher will distribute questionnaire for target respondents. The reason of passing these steps is to create a common understanding between researcher and employees of enterprise.

### 3.5. Data Analysis and Presentation

After data collection, the study will be analyzed qualitatively and quantitatively based on type of data that was collected. Quantitative data analysis contains descriptive and inferential statistic, descriptive analysis entail frequency, percentage, mean and standard deviation for leadership styles and employees' job satisfaction variables. However; the study will also

exercise correlation and regression analysis by SPSS version 20., because the study will demonstrate correlation and effect of independent variable on dependent. Besides quantitative analysis the study will apply narration /qualitative data analysis / for the data which were collected through interview because it is difficult to quantify.

### **3.6. Ethical Considerations**

During data collection, the researcher informed the respondents to participate voluntarily to fill the questionnaires. Even though the questionnaire will not require the respondents to write their name.

The researcher will give code for questionnaires which will be known by researcher only to distinguishing one from another before the data was entered in to the software. Participant of the study will also be informed that the information they gave will be used only for academic purpose and will be kept confidential.

In accordance with research ethics, the researcher will respect the right of respondents and response of them as well and also the researcher will not convert the response of participants.

## CHAPTER FOUR

### RESULTS AND DISCUSSION

This chapter deals with the analysis of data collected through questionnaire. The major purpose of the study is to investigate the relationship between leadership style used by Woye managers and job satisfaction of their employees. In this analysis, the study answers the research questions as well as the purpose of the study. The responses on the survey questionnaire were analyzed using SPSS version 20. The analysis attempted to include response rate and other introductory statements.

#### 4.1 Demographic Characteristics of the Respondents

The demographic characteristics of the respondents of the questionnaire are presented in the following five variables (i.e. Gender, Age, and Educational qualification, Years of service and Job position).

**Table 4.1. Demographic Characteristics of the Respondents**

Variables	Category	Respondents	
		No.	%
Gender	Male	146	96.7
	Female	5	3.3
	<b>Total</b>	<b>151</b>	<b>100</b>
Age	<26	28	28.5
	26-30	34	22.5
	31-35	31	20.5
	36-40	35	23.2
	>40	33	22.5
	<b>Total</b>	<b>151</b>	<b>100</b>
Educational Qualification	Degree	15	9.9
	Masters	2	1.3
	12 Grade	134	88.7

	<b>Total</b>	151	<b>100</b>
	0-1	64	27.8
Years of service	1-2	56	17.6
	>2	31	10.9
	<b>Total</b>	151	<b>100</b>
Job Position	Junior officer	1	0.66
	Customer Service Officer	5	3.3
	Senior officer	4	2.6
	Driver	141	93.4
	<b>Total</b>	151	<b>100</b>

**Source: Survey Questionnaire**

The sample includes 151 staffs of Woye Logistics in Addis Ababa. Regarding to gender composition, there were more male respondents compared to females. In the study males accounted for 28.5% while the other 3.3% were accounted for by female respondents. The largest group of respondents were in the ages between 26 and 30 (22.5%), followed by those aged below 26 and aged between 31 and 35 (20.5%) each. Respondents aged above 40 made up about 22.5%, while the smallest group were those aged between 36 and 40 who only represent 23.2%, of the responses.

9.9% of the respondents have BA degree educational qualification, 1.3% of the respondents were Master's Degree holders, the rest 88.7% of the respondents were 12<sup>th</sup> grade diploma holders. Related to years of service, 27.8% of the respondents have been working in the company for less than one year. Only 31 respondents 10.9% have been working in the company for more than two years. Respondents with 1-2, years of experience within the company accounted for 17.6%. Lastly most of the respondents were Customer service officers- CSO 3.3%, followed by junior officers 0.66%, finance were 1.9%, Driver management and service were 93.4%, and senior officers accounted 2.6%.

## 4.2. Analysis of Collected Data

### 4.2.1. Results

#### 4.2.1.1. Descriptive Statistic

### Descriptive Statistic of Laissez- Fair Leadership Style

Table 4.2. summary of mean and standard deviation on laissez-fair leadership style

<b>Laissez-Fair Leadership Style (N=151)</b>			
S. N <sup>o</sup>	Item	Mean	Std. deviation
1.	In complex situation, managers let subordinates work problems out on their own	3.18	1.126
2.	Leaders stay out of the way of subordinate as they do their work	3.12	1.077
3.	Leaders allow subordinates to appraise their own work	3.46	1.031
4.	Leaders give complete freedom to subordinate to solve problem on their own	3.26	1.18
5.	Leaders offer little input which is preferred by subordinate	3.23	1.016
<b>Over All Mean</b>		3.1921	

Sources: own survey 2022

The above table show that the mean score of laissez fair leadership style items, 3.18 is mean value of in complex situation, leaders let subordinate work problem out of on their own, 3.12 for response that leaders require staying out of the way of subordinates as they do their work, 3.46 intended for response that leaders allow subordinates to appraise their own work, 3.26 mean score for that leaders give complete freedom to subordinates to solve problem on their own, 3.23 average score for statement of leader offer little input which is preferred by subordinates. This implies that in Woye Logistics leaders didn't interfere in employees work, employees are appraising their performance without interference of leaders, they gave freedom for subordinates to solve own problems, leaders are offering little resource which is necessary for task.

The standard deviations score of response were found to be between 1.016 and 1.18. For instance, there is low deviation of response on leaders offer little input which is preferred by subordinates, this implies that there is low difference among responses of participants. and one participant's response is little far from the other one. Leaders give complete freedom to subordinates to solve problem on their own scored 1.18 standard deviation, this implies that there is significance and high difference between responses of participants.

### Descriptive Statistic of Transformational Leadership Style

Table 4.3. Summary of mean and standard deviation on transformational leadership style.

<b>Transformational leadership style (N=151)</b>			
S. N <sup>o</sup>	Item	Mean	Std. deviation
1.	Leaders treat me as on individual rather than just as a member of group	2.99	1.117
2.	Leaders help me to develop my strength	3.3	1.226
3.	Leaders articulate a compelling vision of the future.	3.3	1.112
4.	Leaders talk enthusiastically about what needs to be accomplished	3.31	1.034
5.	Leaders go beyond self-interest for the good of the group	3.21	1.099
6.	Leaders display a sense of power and confidence	3.36	1.116
7.	Leaders get me to look at problem from many different angles	3.19	1.145
8.	Leaders suggest new way of looking how to complete assignment	3.19	1.17
	<b>Over all mean</b>	3.23	

Source: own survey 2022

Table 4.3 contains the mean, standard deviation of each transformational leadership style items, from this table we find 2.99 mean value response that leaders treat me as an individual; rather than just as a member of group, 3.30 value of response on leaders help me to develop my

strength, 3.30 mean score on leaders articulate a compelling vision of the future, 3.31 score that leaders talk enthusiastically about what needs to be accomplished, 3.21 on leaders go beyond self-interest for the good of group, 3.36 mean value that leaders display a sense of power and confidence, 3.19 scored for leaders get me to look at problem from many different angles, the final mean score is 3.19 on response that leaders suggest new way of looking how to complete assignment. This implies that in Woye Logistics leaders show a sense of power and confidence to their employees, leaders help employees to develop their strength, articulate vision of the organization, they talk to their subordinated to know what subordinates needs to be achieve, transcend self-interest, looking at problems from different perspectives, recommend new way of way of working assignments. However, leaders either treat employees as an individual or not in Woye Logistics.

The deviations of response between respondents were found to be between 1.034 up to 1.226. For example there is 1.034 standard deviation on leaders talk enthusiastically about what needs to be accomplished, this verifies that there is less degree of difference between responses. There is high degree variation which is 1.226 standard deviation between responses on leaders help me to develop my strength, this gap shows that there is high degree of difference on the issue, so according to participants of the study they have no common idea on the issue.

## **Descriptive Statistic of Transactional Leadership Style**

### **4.4 summary of mean and standard deviation on transactional leadership style**

<b>Transactional Leadership Style (N=151)</b>			
<b>S. N<sup>o</sup></b>	<b>Item</b>	<b>Mean</b>	<b>Std. deviation</b>
1.	Leaders demonstrate that a problem must become chronic before taking action	3.06	1.109
2.	Leaders wait for things to go wrong before taking action.	3.01	1.186
3.	Leaders concentrate their full attention on dealing with mistakes, complaints and failures	3.23	1.132
4.	Leaders keep track of all mistakes	3.01	1.033

5.	Leaders focus attention on irregularities, mistakes, exceptions and deviations from the standard	3.11	1.072
6.	Leaders provide me with assistance in exchange for my effort.	3.28	1.054
7.	Leaders discuss in specific term who is responsible for achieving performance target.	3.23	1.195
8.	Leaders make clear what one can expect to receive when performance goals are achieved.	3.35	1.176
<b>Over All Mean</b>		3.1581	

As table 4.4.shows that participant response of transactional leadership style items, the table contains mean value, standard deviation of each item, in third column we get the following mean score results, 3.06 mean value to response that leaders demonstrate that a problem must become chronic before taking action., 3.01 scored by the statement that leaders wait for things to go wrong before taking action, 3.23 mean value that leaders concentrate his /her full attention on dealing with mistakes, complaints and failures, 3.01 mean value on leader keep track of all mistake, 3.11 mean score on leaders focus attention on irregularities, mistakes, exceptions and deviations from the standard, 3.28 mean score that leaders provide me with assistance in exchange for my effort, 3.23 mean value for leader discuss in specific term who is responsible for achieving performance, the last mean score is 3.35 which deals about leaders making clear what one can expect to receive when performance goals are achieved. As we can see mean value of all items have scored above 3.00, so this implies that leaders have a clear understanding about what one can expect to receive when performance goals are achieved, leaders give full attention to deal with problem, follow mistake, provide assistance in exchange of effort, discuss on specific term with person who responsible for assignment, having to know how about what employees expect., but they take action before either things go wrong or not and leaders are keeping track of all mistakes or not.

When we come to the deviation between responses of participant, the scores were found to be between 1.033 – 1.195 range. For instance, there is 1.033 deviation response on leaders keep track of all mistakes, verify that there is less difference between response comparing with other



item. Leaders discuss in specific term who is responsible for achieving performance scored 1.195 standard deviation, this point out there is high deference between response of participant.

### Descriptive Statistic of Employees' Job Satisfaction

#### 4.5. Summary of mean and standard deviation of employees' job satisfaction

<b>Employees Job Satisfaction (N=151)</b>			
S. N <sup>o</sup>	Item	Mean	Std. deviation
1.	I would be delighted to spend the rest of my carrier with the organization	3.09	1.251
2.	I believe this organization is an excellent place to work.	3.19	1.193
3.	I would take almost any kind of job responsibility to keep working at this company.	3.47	1.106
4.	I don't feel any necessity to continue with my employer.	2.93	1.093
5.	I am committed to work more than I should.	3.68	1.009
6.	I use my potential to carry out tasks in a better way.	3.77	1.059
7.	I am working attentively to accomplish the organizational goal.	3.98	0.955
8.	I always strive to find a better way of doing things.	3.85	1.088
9.	When I do anything successfully, I feel like it's a personal accomplishment.	3.56	1.198
10.	At my job, I use my skill and ability.	3.87	1.127
11.	I have all resource i need to do my job successfully.	3.46	1.153
<b>Over All Mean</b>		3.5340	

Source: own survey 2022

The above table presents that the response in regard to employees' job satisfaction items, and we get the following, mean score of first item is 3.09 on I would be delighted to spend the rest of my career with the organization, 3.19 result on I believe this organization is an excellent place to work, 3.47 mean value for response that I would take almost any kind of job

responsibility to keep working for this company, 2.93 mean score on I don't feel any necessity to continue with my employer, 3.68 mean score on I am committed to work more than I should, 3.77 is the mean score on I use my potential to do my tasks in better way, 3.98 mean score for that I am working attentively to accomplish organizational goal, 3.85 mean value for the statement that I always strive to find a better way of doing things. When I do anything successfully, I feel like a personal accomplishment scored 3.56 mean value, 3.87 mean value of response on at my job, I use my skill and ability. The last mean score 3.46 deals with I have all resource I need to do my job successfully. this points out that Woye Logistics employees are ready to spend the rest of their carrier, employees feel that the enterprise is an excellent place to work, they would take any kind of job responsibility, committed to their work, they are using their potential to carry out activities in better way, and they are working attentively to accomplish organizational goal but they require additional incentives to continue with Woye Logistics.

Standard deviation of response on employees' job satisfaction were found to be between 0.955-1.251 this implies there is less deviation recorded which is 0.955 on I am working attentively to accomplish organizational goal, and there is high deviation which is 1.25 on I would be delighted to spend the rest of my career with the organization. This implies that a majority participant of study has a relatively close sense on I'm working attentively to accomplish organization goal, and the opinion of employees is further away from each other on I would be to delighted to spend the rest of my carrier with the organization.

### **Mean and standard deviation value of leadership styles and job satisfaction**

#### **4.6. Summary of mean value and std. deviation on leadership style and employees job satisfaction**

S. N <sup>o</sup>	item	Mean	Std. Deviation
1	laissez-fair leadership style	3.1921	0.65057
2	transformational leadership style	3.2310	0.75246

3	transactional leadership style	3.1581	0.64803
4	Employees' job satisfaction	3.5340	0.63656

Source: own survey 2022

As shown in table 4.6, the total mean value of dependent and independent variables, the mean value of laissez- fair leadership style is 3.19, transformational 3.23, transactional 3.16 and employees satisfaction score 3.53. this indicates that enterprise uses transformational laissez- fair and transactional leadership styles simultaneously because all leadership style mean value is close to 3.2, this entails that in complex situation, managers let subordinates carry on as they do, leaders help subordinates to develop strength, and they pay attention in dealing with mistakes, complaints and failures.

But as interviewee said the enterprise gave training for leaders about leadership and it reinforces them to use transformational and participatory leadership styles in the enterprise and they consider that leaders are using transformational and participatory leadership style actually in the enterprise.

In addition to that employees are satisfied in the existing practice of enterprise because the means score says that most of respondents have agreed up on parameters of satisfaction, in general employees in Woye Logistics are satisfied by the existing leadership style.

As the interviewee said, they believe that employees of Woye Logistics are satisfied in the existing conditions, as they said Employees turnover rate is rare in the enterprise, means most employees are working long term, this condition shows us employees are satisfied in the enterprise and the management is also working attentively to maintain satisfaction of employees, which means the enterprise invites employees in order to attend in a quality circle and they may raise any issue and compliant about enterprise, it provides bonus, give recognitions, certificate, trying to create healthy relationship among them, promote high performers, salary increment based on service level, participate employees' in planning phase, set the realistic goals and etc.

## 4.5.1 Correlation

### Correlation between Leadership Style and Employees' Job Satisfaction

Table 4.7. Correlation summary between leadership style and employees job satisfaction.

		Correlations			
		laissezfaire leadership style	transformational leadership style	transactional leadership style	employees satisfaction
laissez-fair leadership style	Pearson Correlation	1	.386**	.372**	0.342
	Sig. (2tailed)		0	0	0
	N	151	151	151	151
transformational leadership style	Pearson Correlation	.386**	1	.517**	.461**
	Sig. (2tailed)	0		0	0
	N	151	151	151	151
transactional leadership style	Pearson Correlation	.372**	.517**	1	.398**
	Sig. (2tailed)	0	0		0
	N	151	151	151	151
employees satisfaction	Pearson Correlation	.342**	.461**	.398**	1**
	Sig. (2tailed)	0	0	0	
	N	151	151	151	151
**. Correlation is significant at the 0.01 level (2-tailed).					

Source: own survey 2022

The above table 4.7., gives an idea about the relationship between leadership style and employees' job satisfaction, the relationship between laissez-fair and employees' job satisfaction is 0.342, this indicates there is positive and strong correlation between variables. Transformational and job satisfaction is 0.461, this specifies that the correlation between employees' job satisfaction and transformational is positive and strong. Pearson result 0.398 is

deals with correlation between transactional and employees' job satisfaction at .000 level of significance, this point indicates a strong and positive correlation between variables.

This result tells us there is positive relationship between leadership style and employee job satisfaction generally because, all leadership styles has a positive correlation with employee job satisfaction in Woye Logistics. Leadership styles relate positively with how employees perceive their job as well as their overall satisfaction at work (Bycio, Hackett and Allen,1995; Niehoff, Enz and Grover, 1990 cited by Tetteh and Brenyah, 2016 p.15).

However, as interviewee said leaders believed that there is relation between employees' job satisfaction and leadership style, as a leader he said acceptable leadership style can create positive employee job satisfaction means the more democratic leadership style, can get the more positive outcome. The more dictatorship style, the more emerging dissatisfaction.

According to Tetteh and Brenyah (2016) Dimension of transformational leadership style are positively related to employee satisfaction, five leadership styles such as transactional, transformational, autocratic, charismatic and situational leadership style have a positive correlation with employee satisfaction (Saeid, 2014)., As view of Chiles (2015) laissez-fair leadership styled supervisor can positively influence job satisfaction.

Among the three leadership style transformational leadership style has high correlation with employee's job satisfaction; this implies that employees prefer transformational leadership style than other. In Woye Logistics, leaders help subordinates to develop their strength, suggest new way of perform tasks, leaders display sense of confidence in their staff and perform other tasks to satisfy their subordinates. Transformational leadership style has a positive relationship with job satisfaction (Voon,Lo and Ngui.. et.al, 2011)., transformational leadership were more positively correlated with intrinsic rather than extrinsic job satisfaction means that transformational leadership dimension creates a good environment that increases job satisfaction (Ibraheem, Mohammad and Al-Zeaad.. at al, 2011). Tetteh and Brenyah (2016) Dimensions of transformational leadership style are positively related to employees' job satisfaction.

#### 4.5.2 Regression Analysis

##### Regression Analysis of Leadership Style and Employees' Job Satisfaction

Table 4.8. Summary Variable Entered in The Model

###### Variables Entered/Removed

Model	Variables Entered	Variables Removed	Method
1	transactional leadership style, laissez-fair leadership style , transformational leadership style	.	Enter

a. Dependent Variable: employee job satisfaction

b. All requested variables entered.

Source: own survey 2022

As the above table shows that the number of model which was entered in to regression model, it includes 3 leadership style which are independent variable and there is no removed variable from model.

Table 4.9. Model Summary

Mode	R	R Square	Adjusted R Square	Std. Error of the Estimate
1				
1	.517 <sup>a</sup>	.267	.252	.55051

a. Predictors: (Constant), transactional leadership style, laissez-fair leadership style, transformational leadership style

b. Dependent Variable: employee job satisfaction Source: own survey 2022

Table 4.9 shows that model summary of regression analysis, as view of this table the correlation between transformational, transactional, and laissez- fair leadership style and employees' job satisfaction is 0.517, this implies that there is strong positive correlation between the independent and dependent variables. Leadership has a significant impact on job satisfaction and organizational commitment (Lok and Crawford, 1999, 2001; William and Hazar, 1986; Mosadegh Rad and Yarmhammadian ,2006 cited by Voon , Lo and Ngui...et al 2011 p.24)., Leadership style relates positively with how employees perceive their job as well

as their overall satisfaction at work ( Bycio, Hackett and Allen,1995; Niehoff, Enz and Grover, 1990 cited by Tetteh and Brenyah, 2016 p.15).

For efficiency purpose an effective leadership style is one that positively affects employee satisfaction (Jurner and Maver,2005 cited by Beloni 2012 p.115). This indicates that employees in enterprise are satisfied by the existing leadership style.

The proportional variance of employees’ job satisfaction is 0.267 explained by leadership style (transformational, transactional, and laissez fair). Employee perception of leadership behavior is an important predictor of employee job satisfaction and commitment (Jaskeyte, 2004, cited by Belonio, 2012)., this indicates that there is strong association between employees’ job satisfaction and leadership style in Woye Logistics comparing with residual variable.

In addition to that adjusted R square result show that there are extra variables (residual variables) which can affect employees’ job satisfaction; this implies that employees job satisfaction also determined by number of variable without leadership style such as: salary, work environment, resource, management system, communication, promotion, technology, job by itself and other determinants. This indicates that employees are expecting extra to become more satisfied.

Table 4.10. ANOVA Analysis

<b>ANOVA</b>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	16.233	3	5.411	17.854	.000 <sup>b</sup>
	Residual	44.549	147	.303		
	Total	60.782	150			

a. Dependent Variable: employee job satisfaction

b. Predictors: (Constant), transactional leadership style, laissez-fair leadership style, transformational leadership style

Source: own survey 2022

The ANOVA table presents the following 16.233 variance of employees' job satisfaction explained by variance of regression (leadership style). The remaining 44.549 variance of employees' job satisfaction is explained by residual variable like salary, work environment, resource, management system, communication, promotion, technology, and job by itself. This implies that leadership style alone is not guarantee to maintain employee's satisfaction in enterprise.

The degree freedom of leadership style covers only 3, the residual also covers 147. This implies that leadership style is one contributor to satisfying employees in Woye Logistics.

Mohammad, Djibir, Haris...et al (2016) as cite in Jaussi and Dionne (2004 p.683) said that leaders play an important role towards employee satisfaction, Judge and Locke (1993), said that the leadership style is one of the determinant of job satisfaction.

Table 4.11. Regression Analysis

Coefficients						
	model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.644	0.275		5.972	0.000
	laissez-fair leadership style	0.153	0.077	0.156	1.993	0.048
	transformational leadership style	0.259	0.072	0.306	3.603	0.000
	transactional leadership style	0.178	0.083	0.182	2.148	0.033

Source: own survey 2022

The above table shows the regression analysis of the leadership styles. Unstandardized coefficient result presents laissez fair leadership style is 0.153, but the other independent variables held on constant, the satisfaction level of employees increased by 15.3%, transformational leadership style is 0.259, but the other independent variables held on constant, based on this level employee satisfaction is increased by 25.9%, Transactional leadership style coefficient value show is 0.178 but the other dependent variables held constant, transactional leadership increase employees job satisfaction by 17.8% in the enterprise.



Standardized Beta coefficient results show that laissez fair leadership style has effect on employees' job satisfaction by 0.156 (15.6%), transformational leadership has 0.306 (30.6%) effect on employees' job satisfaction, the last leadership style which is transactional has 0.182 (18.2%) effect on employee's job satisfaction., Transactional leadership had a positive effect on the significant subscale of job satisfaction (Boloni, 2012).

When we compare each leadership style, transformational leadership style has more effect on employees' job satisfaction this implies that in Woye Logistics, transformational leadership style is influencing employees' job satisfaction more. However According to interviewee leadership style has positive effect on employee's satisfaction, the effect of leadership style is critical because as the interviewee said without employees' job satisfaction, enterprise could not go long distance.

Transformational leadership variable has a significant effect on job satisfaction of an employee, this indicates transformational leadership creates an impact on employee satisfaction (Mohammad, Djabir, and Haris..et al., 2016). Ramos (2014). Transformational leadership style of the manager of PS Bank has been formulated to increase the level of job satisfaction among its employees the greatest factor that influence their satisfaction are compensation and job security. Transformation leadership style factor better than the two other styles (transactional and laissez- fair) in terms of employees staying on their job as well as job satisfaction (Dahlen, 2002; Brerregren and Severinssan ,2003; Fletcher, 2001; Bass and Avolio, 1990; Northouse, 2001; Dviretal, 2002 Waldman et al. 2001 cited by Ibraheem, Mohammad, Al-Zea ..et al,.. 2011 p.39).

When we come to the level of significance, laissez fair style score 0.048 level of significance; this implies that laissez fair leadership style is a significant predictor on employees' job satisfaction in enterprise because 0.048 is less than 0.05. Laissez fair had a positive effect on the significant subscale of job satisfaction (Boloni, 2012).

The significant level of transformational leadership is 0.00 this indicate that transformational leadership style is high contributor and predictor on employees' job satisfaction because 0.000 is much less than 0.05. As the view of Baloni (2012) transformational leadership was seen to have a positive effect on two significant subscales of job satisfaction in the private sector in Malaysia (Voon, Lo,Ngui..et al..2011, p.115).

Level of significance of transactional leadership style is 0.033 means  $0.033 < 0.05$  therefore transactional leadership style is also contributor of employees' job satisfaction. Transactional leadership had a positive effect on the significant subscale of job satisfaction (Boloni, 2012).

#### **4.6 Discussion**

In Woye Logistics leaders didn't interfere in employees work, employees appraise their performance without interference of leaders, they gave freedom for subordinates to solve their own problems, leaders are offering little resource which necessary for task but leaders didn't leave subordinate alone, show sense of power and confidence for their employees, leaders help employees to develop their strength, articulate vision of the organization, they talk their follower to know what follower needs to be achieve, transcend self-interest, looking problem from different perspective, recommend new ways of working on assignments. However, leaders either treat employees as an individual or not and in Woye Logistics leaders takes action before either situations go wrong or not and leaders are keep track of either all mistake or not.

When employees are satisfied, they display different behavior, these are employees are ready to spend the rest of their carrier, employees are feel that enterprise is excellent place to work, they would take any kind of job responsibility, committed for their work, they are using potential to done in better way, and they are working attentively to accomplish organizational goal. The above points are also exhibited by Woye Logistics employees but they require additional incentives to continue with Woye Logistics. As the interviewee said, they believe that employees of Woye Logistics are satisfied in the existing conditions, as they said Employees turnover rate is rare in the enterprise, means most employees are not leaving the enterprise after working short years.

All leadership styles mean value is close to 3.2, this indicates that the enterprise is exercising all three leadership styles, transformational, transactional, and laissez-fair. But as interviewee said the enterprise give training for leaders about leadership and it reinforces them to use transformational and participatory leadership style dominantly in the enterprise and they consider that leaders are using transformational leadership style and participatory leadership actually in the enterprise.

A leadership style has a positive correlation with employees' job satisfaction in Woye Logistics. Leadership style relates positively with how employees perceive their job as well as

their overall satisfaction at work ( Bycio, Hackett and Allen,1995; Niehoff, Enz and Grover, 1990 cited by Tetteh and Brenyah, 2016 p.15). However, as interviewee said leaders believe that there is relation between employees' job satisfaction and leadership style, he added acceptable leadership style can create positive employees' job satisfaction meaning the more democratic leadership style, can create the more positive outcome. The more dictatorship style, the more emerging the dissatisfaction. Five leadership styles such as transactional, transformational, autocratic, charismatic and situational leadership style has a positive correlation with employee satisfaction (Saeid, 2014)., As the view of Chiles (2015) laissez-fair leader supervisor positively influences job satisfaction. Devi (2016) cite Bass (1990 p. 510) studied that favorable attitude towards supervision helped to achieve employee job satisfaction specifically.

The correlation between transformational, transactional, and laissez- fair leadership style and employees' job satisfaction is 0.517, this implies that there is strong positive correlation between independent and dependent variable. Leadership has a significant impact on job satisfaction and organization commitment (Lok and Crawford, 1999, 2001; William and Hazar, 1986; Mosadegh Rad and Yarmhammadian ,2006 cited by Voon , Lo and Ngui...et al 2011 p.24)., Leadership style relates positively with how employees perceive their job as well as their overall satisfaction at work ( Bycio, Hackett and Allen,1995; Niehoff, Enz and Grover, 1990 cited by Tetteh and Brenyah, 2016 p.15).

Employee perception of leadership behavior is an important predictor of employee job satisfaction and commitment (Jaskeyte, 2004, cited by Belonio, 2012)., this indicates that there is strong association between employees' job satisfaction and leadership style in Woye Logistics comparing with other residual variables.

According to interviewee, leadership style has positive effect on employee's satisfaction, the effect of leadership style is critical because as interviewee said without employees' job satisfaction, enterprise could not go long distance. However, when we compare each style transformational leadership style has more effect on employees' job satisfaction this implies that in Woye Logistics transformational leadership style can influence employees' job satisfaction. However, Transformational leadership variable has significant effect on job satisfaction of an employee, this indicates transformational leadership creates impact on

employee satisfaction (Mohammad, Djabir, and Haris..et al., 2016). Ramos (2014). transformational leadership style of the management of Woye logistics has been formulated to increase the level of job satisfaction among its employees, the greatest factors that influence their satisfaction are compensation and job security.

The significance level of all leadership styles are below 0.05 this implies that all leadership styles have a contribution and can be used to predict employees' job satisfaction. Laissez fair had a positive effect as well as on the significant subscale of job satisfaction (Boloni, 2012). As view of Boloni (2012) transformational leadership was seen to have a positive effect on two significant subscale of job satisfaction., transformational leadership variable has significant effect on job satisfaction of an employee, this indicates that transformational leadership creates an impact on employee satisfaction (Mohammad, Djabir, and Haris..et al.. 2016). Transactional leadership had a positive effect on the significant subscale of job satisfaction (Boloni, 2012).

## CHAPTER FIVE

### SUMMARY, CONCLUSIONS & RECOMMENDATIONS

This chapter deals with the summary of major findings, final conclusions of the study and it forwards recommendations for person who concerned with the topic.

#### 5.1. Summary of Findings

The aim of this study is to determine the effect of leadership style on employees' job satisfaction in the case of Woye Logistics, in order to meet this objective, questionnaires were distributed for employees and the researcher interviewed managers. The major findings of the study are list as follows

- The finding revealed that most of respondents are male
- Age distribution of respondents were found to be between age 26-37 years old, majority of respondents are 12<sup>th</sup> grade graduates, and they have from a few months to 2 years of experience in Woye Logistics.
- The mean result of laissez- fair leadership style item shows that most of respondents agreed up on items which express laissez fair leadership style.
- The mean value of transformational leadership style result indicates that most of respondents are agreed up on all variable except one, that is leaders treat me as an individual, rather than just as a member of group,
- The last leadership style transactional leadership items mean results shows that most of respondents of study have agreed upon all items.
- The study also tried to measure the level of employees' job satisfaction, the result show that most of respondents have agreed upon almost all items but they have disagreed on I don't feel any necessity to continue with my employers, the aggregation mean results of employee's satisfaction leads to the conclusion that most employees are satisfied.
- Based on the mean result of the 3 leadership styles: laissez-fair, transformational, transactional/, the enterprise exercises all 3 leadership style simultaneously which are score close to 3.2.

- The correlation between leadership style and employees' job satisfaction is positive but transformational leadership has high correlation with employees' job satisfaction.
- Regression analysis of the study revealed that the variance of employee's job satisfaction explained by 0.267 and 0.252 cover extra variables which affect employees' job satisfaction. The significance level of all leadership style is less than 0.05, this point out all leadership style are significance contributor of employee's job satisfaction.
- Transformational leadership style scored high Beta coefficient which is 0.306, this indicates that transformational leadership style has more effect on employee's job satisfaction.

## 5.2. Conclusions

The objective of this study was examining the effect of leadership style on employee's job satisfaction: the case of Woye Logistics. To meet the predetermined objectives the researcher has collected primary and secondary data. Based on this the following conclusions were drawn.

In Woye Logistics leaders are exercising transformational laissez-fair and transactional leadership style simultaneously, in complex situation, leaders let subordinate as they do, leaders help subordinate to develop strength, etc. but they don't treat employees as an individual, rather they treat them as a group and leader either wait thing to go wrong before taking action or not.

During measuring employees job satisfaction, employees feel job satisfaction, they spend the rest of carrier, believe organization is the best place for them, willing to take any responsibility from enterprise, committed for work, use their potential to done better, working alertly for enterprise, but they have additional request to continue with in Woye Logistics.

The existing leadership styles of enterprise have correlation with employee's job satisfaction, this means all leadership style has association and strong and positive relationship with employees' job satisfaction, but there is high relation between transformational leadership style and employees' job satisfaction.

In Woye Logistics Employees' job satisfaction is not determined by the existing leadership style, however, there are extra variables which affect employees' job satisfaction like salary, work environment, resource, management system, communication and relationship, promotion, technology, job by itself, training and development and other things.

Transformational leadership has more effect on employee's job satisfaction in Woye Logistics.

### 5.3. Recommendations

From the summary of the findings and conclusions the researcher would like to recommend the following to maximize employee's job satisfaction and other solution in the enterprise.

- Woye Logistics should be applying a combination of two or more leadership styles based on the circumstance, because there is no best leadership style, each leadership style has their merit and demerit, therefore to maximize the benefit, Woye Logistics should be merging one leadership style to another to satisfy their employees more. In addition to that most of employees have BA degree and they are young, this indicates that those employees need inspiration, motivation, freedom, intellectual stimulation, understanding of interest by leaders, they need freedom, appraise their performance.
- Woye Logistics should treat employees more as an individual rather than member of group, it might be difficult to satisfy each individual interest but as a leader they should give attention for individual concerns rather than group because there is a difference among individual perception in the group, therefore to give appropriate response for their concerns leaders should follow and address individual feeling through their representatives.
- Enterprise should be recognizing the requirement of employees because employees have necessity to continue with Woye Logistics. Otherwise an increase in employee's turnover might occur in the future, because if employees' requirement is not full filled, they look for other companies which satisfy their needs, for that reason as a leader, a manager should be aware of employees' requirement to satisfy them, because of this, employees will spend the rest of their career with the organization .
- As we see on the finding, transformational leadership style has more effect on employees' job satisfaction and relationship with employees' job satisfaction, therefore enterprise should perform the following to create better employee job satisfaction, these are encourage followers (workers), create new environment, innovate new system

and method of working assignment, believe and share organization goal to inspire them, motivate intrinsically by using intellectual stimulation, promote new way of thinking and encouraging to go beyond their personal interest for the good of group.

- Woye Logistics should discover other factors in the enterprise which affect employees' job satisfaction, know how employees look at enterprise's salary provision, promotion, technology, and job by itself, communication and relationship, training and development and other factors.



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# Appendices

## Appendix I: Questionnaire

### Part I: Demographic Data

This demographic data is intended to collect the general information of the respondent which is related to the research paper. You are expected to feel this questions by putting “X” mark in the boxes.

1. **Gender:** Female   Male
2. **Age:** 21-25  years  26-  30 years  31-  35 years  36-40 years  41 years and above
3. **Educational qualification:** 12<sup>th</sup> Grade  Degree  Masters
4. **Years of Service in the Company:** 0-1  1-2 years  2 years and above

### Part II: Question related with leadership Style Instruction: please indicate your agreement level for each question

**Note:** Strong disagree =1 Disagree=2 Neutral= 3 Agree=4 Strong Agree=5

No	Statement	Agreement Level				
		1	2	3	4	5
<b>Laissez-Fair Leadership Style</b>						
1	In complex situation, managers let subordinates work problem out on their own					
2	Leaders require staying out of the way of subordinates as they do their work					
3	Leaders allow subordinates to appraise their own work					
4	Leaders gives complete freedom to subordinates to solve problem on their own.					
5	Leaders offer little input which is preferred by subordinates					

Transformational Leadership Style					
7	Leaders treat me as an individual rather than just as a member of group				
8	Leaders help me to develop my strength				
9	Leaders articulate a compelling vision of the future				
10	Leaders talk enthusiastically about what needs to be accomplished				
11	Leaders go beyond self-interest for the good of the group				
12	Leaders display a sense of power and confidence				
13	Leaders get me to look at problem from many different angles				
14	Leaders suggest new way of looking how to complete assignment				
Transactional Leadership Style					
15	Leaders demonstrate that problem must become chronic before taking action				
16	Leaders wait for thing to go wrong before taking action				
17	Leaders concentrate their full attention on dealing with mistakes, complaints and failures				
18	Leaders keep track of all mistakes				
19	Leaders focus attention on irregularity mistake, exception and deviation from the standard				
20	Leaders provide me with assistance in exchange for my effort				
21	Leader discuss in specific term who is responsible for achieving performance target				
22	Leaders make clear what one can expect to receive when performance goals are achieved				

**Part Three: Questions related with employee satisfaction Instruction: please indicate your agreement level for each question**

**Note:** Strong disagree =1      Disagree=2      Neutral= 3      Agree= 4      Strong agree=5

No	Statement	Agreement Level				
		1	2	3	4	5

1	I would be delighted to spend the rest of my career with the organization					
2	I believe this organization is an excellent place to work at					
3	I would take almost any kinds of job responsibility to keep working at this company					
4	I don't feel any necessity to continue with my employer					
5	I am committed for work more than I should					
6	I use my potential to carry out tasks in a better way					
7	I am working attentively to accomplish organizational goal					
8	I always strive to find a better way of doing things					
9	When I do anything successfully, It feels like a personal accomplishment					
10	At my job, I use my skill and ability as best as I can					
11	I have all resources I need to do my job successfully					

## **Appendix II: Interview**

**St. Mary's University**

**School of Graduate Studies**

**Department of Business Administration**

### **Interview Question for Managers/leaders**

1. What do you think about leadership style as a manager within Woye Logistics?
2. How do you describe employee satisfaction as a supervisor within Woye Logistics?
3. How do you see the relationship between leadership style and employee satisfaction?
4. How do you see the effect of leadership style on employee satisfaction?
5. What do you do as a manager to maximize employee satisfaction?

## **DECLARATION**

I, the undersigned, declare that thesis is my original work, prepared under the guidance of St. Mary's university school of graduate studies. all source of material used for the thesis have been duly acknowledged further confirm that the thesis has not been submitted either in the part or in full to any other higher learning institution for the purpose of earning any degree.

Declared by:

Name: Dawit Workneh

Signature\_\_\_\_\_

Date: 09/07/2022

## **ENDORSEMENT**

This thesis has been submitted to ST. MARY'S UNIVERSITY, school of graduate studies for examination with my approval as a university advisor.

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Advisor

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Signature

**JULY, 2022**  
**ADDIS ABABA, ETHIOPIA**