# Leaders' & Employees' Perceptions of Leadership: Empirical Evidence from Ethiopian Public Sectors

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***Abstract:*** *The purpose of the current study was to examine the employees' & leaders' perceptions of leadership in public sectors. The study followed a convergent design; both primary and secondary data collection has been conducted. The secondary data collection has been done by reviewing previously established literature for achieving the research objectives. The primary data collection has been done using a qualitative and quantitative approach, with the interview and survey instrument's help. Inferential and descriptive statistical methods were used to analyze the quantitative data elicited from three hundred twenty-four (324) randomly selected respondents. The result demonstrates that both leaders and employees had a similar perception of transactional leadership. Simultaneously, they had a different perception of servant and transformational leadership, which means that leaders considered themselves servant or transformational leaders. However, employees did not consider themselves as servant or transformational leaders; instead, employees considered their leaders as transactional leaders. The study concluded that the leadership measurement scale should include both leaders' and subordinates' leadership perceptions. Using either one of the two may lead to the wrong conclusion because of the leaders' and subordinates' perceptions of leadership differences. Also, public sector leaders should evaluate their leadership styles continuously and improve their leadership behaviors. These research findings extend public administration literature linking leadership and subordinates' perceptions. Future research should study different leaders that are strategic, operational, or team leaders.*

**Keywords**: Transactional, Transformational, Servant leadership, and Perceptions.

## INTRODUCTION

As Behn (1998) points out, without leadership, public sector organizations would not achieve what governments require. He points to factors underscoring a need for leadership, including the possibility of ambiguous or unclear directions from the government, the danger of capturing agencies and programs by sectional interests, and the need to deal with organizational dysfunction. An organization is pursuing conflicting agendas.

To provide effective leadership in public sectors, leaders must systematically and lead in an organized manner. Creating a vision for the organization is a critically important step in providing leadership in the organization. According to Al Khajeh (2018), the role of leadership in designing a vision, determining its mission, purpose, strategy, policy, and organizing various organizational structures is crucial. He/She also has a decisive role as a leader in organizing the entire organization.

In the Ethiopian context, the government has shown a commitment to improving public sector leadership by launching various initiatives under the Civil Service Reform Program (CSRP). Public sector leaders advocate transformational agendas to achieve growth and transformation plan (GTP) goals at different levels. However, public sector organizations' performance highlighted several implementation deficiencies in terms of effectiveness, efficiency, and leadership practice that have not been up to expectations (Duressa & Debela, 2014).

In leadership research, leadership measurement scales were developed based on the perception of leaders or subordinates. So, someone may raise a question of whose (employees or leaders) perception of leadership is appropriate? From this consideration, this study attempted to the knowledge base by examining the employees' and leaders' perception of leadership, contributing to empirical studies on public sector leadership, proffer recommendations for policies to reposition the public organization as an integral part of the engine of service delivery, and development in Dessie city administration.

This study is organized into four parts: first, It reviews the relevant literature to develop a testable hypothesis. Second, It describes its empirical study's methodology. Next, It details its data analysis strategy and hypothesis-testing results. The article then concludes by discussing the essential findings and the theoretical and practical contributions of this research.

## LITERATURE REVIEW

Leadership definition was considering various theoretical approaches (Kouzes and Posner, 2007). For example, Yammarino and Dubinsky (1994) defined leadership as the influence of people on performing tasks using mainly motivational methods. According to Boseman (2008) and Toor, S., and Ofori (2009), leadership can guide individuals to specified outcomes based on stimulation and satisfaction of personal motives. Mitonga-Monga, J., Coetzee, M., and Cilliers (2012) stated that leadership is a procedure for influencing others' commitment by identifying their full potential for researching objectives. Although slightly different, all these definitions of leadership share a common element acknowledging that organizations and their workforce are influenced by leaders (Bohn, J.G. and Grafton, 2002).

Prior research has shown that leaders' and followers' perceptions of leadership can differ for various reasons (Awamleh, 1999; De Vries et al., 2002; De Vries, 1999; Felfe, 2006; Meindl et al., 1985); thus these differences could lead to either the under-or overestimation of the impact of leadership styles on performance.

Ghoshal (2005) implied that economic and stakeholder values are associated with certain leadership styles. On the one hand, executives espousing economic values are described as "ruthlessly hard-driving, strictly top-down, command and control focused" (Ghoshal, 2005, p.85), a colloquial description of autocratic leadership style. In contrast, executives espousing stakeholder values are described as establishing a sense of purpose or a shared destiny within the company (Ghoshal & Moran, 1999; Ghoshal, S., 1996), the essence of a visionary leadership style. So, an executive who puts forward economic values may be perceived as an autocratic leader, which could be associated with less effort from subordinates and decreased firm performance. Conversely, executives who advance stakeholders' values may be perceived as visionary leaders who thus motivate employees to exert extra effort, which should improve firm performance.

Several current leadership theories emphasize the interaction between leaders' behaviors and followers' perceptions to explain the leadership process (Sosik, 2005). Accordingly, followers perceive and interpret leaders' actual behaviors, and it is the interpretation of these behaviors that may be related to the followers' level of motivation and effort. Analyses of data collected from separate surveys of chief executive officers (CEOs) and two subsets of followers in 520 firms in 17 countries show that CEOs' emphasis on economic values is associated with followers' perceptions of autocratic leadership. In contrast, CEOs' emphasis on stakeholder values is associated with followers' perceptions of visionary leadership. Additionally, visionary leadership relates positively to employees' extra effort, which relates to firm performance; however, no relationship is found for autocratic leadership (Luque et al., 2008).

Thus, this study focused on three leadership, such as transactional, transformational, and servant leadership.

**Transactional leadership:** As Bass (1990, 1998), transactional leadership is a process of exchange between leaders and subordinates. Leaders recognize followers' needs and provide them with financial incentives and organizational recognition to motivate them. It also includes clarifying expectations and required tasks to obtain rewards. The transactional leader's objective is to ensure that the path to goal attainment is clearly understood by the internal actors, remove potential barriers within the system, and motivate them to achieve the predetermined goals (House, R. J. & Aditya, 1997).

Transactional leadership consists of three components: active management by exception, passive management by exception, and contingent reward(Bass, B.M., and Avolio, 2004).

a) *A contingent reward* is the exchange process between leaders and subordinates. Leaders and employees agree on their responsibilities and roles to achieve the selected outcomes(B. M. Bass, 1985).
b) *Active management-by-exception* mentions a leader who sets deviations and objectives, enforces rules and procedures, and corrects the errors(Gill, 2006). Leaders systematically monitor employees' acts and intervene when problems or mistakes occur. Leaders aggressively search for problems and correct errors as they are identified.
c) *Passive management-by-exception*, leaders let the subordinates do the job and intervene when employees make errors in their job(Gill, 2006).

**Transformational leadership** is a style of leader behavior by which the leader helps followers exceed their initial performance expectations by promoting changes to their values, norms, and personal interests. They motivate followers to look beyond their self-interest, seek higher-order needs, and achieve organizational goals (Burns, 1978). Prior literature (e.g., Burns, 1978; Ensley et al., 2006) suggest that transformational leaders appeal to their followers' ideals and morals to inspire the followers to reach their highest levels of achievement and take ownership of the goals of the group. Under a transformational leader, the followers are primarily motivated toward achieving the goal in and of itself, with or without the rewards that might be associated with the outcome (Pearce et al., 2003). Transformational leadership style can help promote long-term vision and aspiration, promoting followers' incremental contribution by exerting efforts beyond the call of duty. (Bass, 2000) operationalized transformational leadership behaviors to include the following five characteristics: idealized influence (attribute), idealized influence (behavior), inspirational motivation, intellectual stimulation, and individualized consideration.

a) *Idealized influence (attribute)* refers to a follower's perceptions of a leader's characteristics. These characteristics evoke feelings of trust, loyalty, and respect for the leader.
b) *Idealized influence (behavior)* is the leader's ability to be a role model for subordinates and lead the way indeed (Bass et al., 2003).
c) *Inspirational motivation* is associated with the leader's ability to generate and articulate the vision in a way that inspires followers and builds commitment and loyalty (Hoyt et al., 2006). It is leaders' behaviors that encourage employee motivation by enriching individual- and organizational-level vision and spirit.
d) *Intellectual stimulation* is associated with a leader's ability to intellectually challenge followers to go the extra mile, be innovative and creative in problem-solving, and become active participants in group decision-making (Limsila and Ogunlana, 2008). It is leaders' behaviors that encourage nontraditional thinking and new ways of looking at how to complete tasks and solve problems.
e) *Individual consideration*, leaders with individual consideration have a genuine concern for the follower's individual needs, perspective, and personal development (Limsila and Ogunlana, 2008). It is leaders treating employees as individuals, rather than simply group members, and identifying the different needs, abilities, and aspirations of those individuals.

**Servant leadership** can be defined as a desire from leaders to motivate, guide, offer hope, and provide a caring experience by establishing a quality relationship with the followers and subordinates (Greenleaf & Spears, 2002). In Greenleaf's (1977) opinion, leadership must primarily meet the needs of others. The focus of servant leadership is on others rather than upon self and understanding the leader's role as a servant (Greenleaf, 1977). Self-interest should not motivate servant leadership; instead, it should ascend to a higher motivation level (Greenleaf, 1977). The servant leader's primary objective is to serve and meet others' needs, optimizing leadership's prime motivation (Russell & Stone, 2002). Contee-Borders (2003) found that servant leaders are dedicated to the growth and welfare of people. There are two primary constructs of servant leadership, which are (1) Ethical behavior, and (2) Concern for subordinates (Ehrhart, 2004). Altruism, simplicity, and consciousness are Servant leaders' characteristics (Johnson, 2001).

According to Liden and colleagues, servant leadership consists of seven dimensions (Liden et al., 2015).

a) *Emotional healing* or being sensitive to the personal concerns of followers;
b) *Creating value for the community* or demonstrating a conscious, genuine concern for helping the community;
c) *Conceptual skills* or showing knowledge about the organization and the tasks that are prerequisites for providing help to followers;
d) *Empowering followers* or encouraging and helping followers to identify and solve problems, as well as to determine when and how to complete work tasks;
e) *Helping followers grow and succeed* or demonstrating a genuine concern for followers' career growth and development;
f) *Putting subordinates first* or using actions and words to make it clear to followers that satisfying their work needs is a priority, and finally,
g) *Behaving ethically* or interacting openly, reasonably, and honestly with others.

This study will examine the employees' and leaders' perceptions of transactional, transformational, and servant leadership in the public sector.

**Hypotheses**

The study will be geared towards testing the following hypotheses.

**H₁:**- There is a perception difference between leaders and employees towards transactional leadership.

$H_2$:- There is a perception difference between leaders and employees towards transformational leadership.

$H_3$:- There is a perception difference between leaders and employees towards servant leadership.

## METHODOLOGY

In this study, available data were collected from primary and secondary sources. Primary data gathering instruments such as questionnaires and interviews were employed. A close-ended questionnaire was conducted as the measuring instrument. The instrument was a multifactor leadership questionnaire (MLQ). These multi-response questions were first designed in English and then translated into Amharic with similar meanings for respondents' better understanding.

Interviews data collection employed mainly using open-ended questions. To this end, guide questions were prepared, and where the interviewer frequently improved them after each response. Responses were ignited with new questions during the interview session. Data was collected from key Dessie City administration Mayors as well as leaders' advisors by conducting an interview. The key informants had been considered to have rich knowledge and experience in the field and explain the practice and challenge of realizing leadership effectiveness in the study city.

The researcher collected secondary data from books, journals, various government policies, strategies, and annual report documents related to the study topic. These secondary sources contributed much to the prior knowledge essential to supporting and substantiating the findings.

After the data was collected, the variables indicated in this research were treated and analyzed using descriptive, explanatory, and interpretive or analytical approaches; this helped to narrate and analyze meanings and implications. Both qualitative and quantitative approaches triangulate the data and make the study relatively reliable and authentic. Therefore, the survey data was processed using the SPSS-26 version. First, the relevant data was coded, summarized, and then transferred to SPSS to analyze and present. Frequency tables were used to summarize the respondents' profiles in the form of frequency and percentages. The descriptive statistics were used to calculate the mean and standard deviation of leaders' and employees' answers to leadership styles to determine their perceptions.

The qualitative data was interpreted first by scanning primary data for words and phrases most commonly used by Mayors and leaders' advisors (word and phrase repetitions). Second, the interview findings were compared with the literature review findings and discuss differences between them (primary and secondary data comparisons). Third, the search for missing information was conducted, which means discussions in which respondents did not mention aspects of the issue. Fourth, comparing primary research findings to phenomena from a separate area and discussing similarities and differences were conducted. In the last stage, a summarization of the qualitative data was conducted by linking the research findings with the research aim and objectives.

## RESULTS

Leadership is not comprehensively researched social influence processes in public administration. The success of all economic, political, and organizational systems depends on the effective and efficient guidance of these systems' leaders (Barrow, 1977). A critical factor to understanding the success of an organization, then, is to study its leaders. In this study, the survey sample size was 328, and 13 interviews were addressed. All respondents, except 16 unreturned questionnaires, returned and replies well to the researcher. A total of 328 questionnaires were distributed to 11 public sectors, and 312 (95%) response rates were achieved in 11 public sectors. Also, 13 interviews were conducted with key informants. Three (3) responses contend missing data through the data examination process, and two (2) responses considered as outliers were avoided to make the data distribution normal. Thus, the final data used for analysis was 307 observations /responses/.

### Characteristics of Respondents

In the table-1, public sector leaders' and employees' demographic characteristics such as sex, age, work experiences in the public sector, marital status, workplace, position, and education level were presented. Those were the essential participants' factors.

**Table 1: Summary of Leaders' and Employees' Profile**

| Demographic information | Variables | Employees | | Leaders | |
|---|---|---|---|---|---|
| | | **n** | **%** | **n** | **%** |
| **Sex** | Male | 157 | 64.1 | 49 | 79.0 |
| | Female | 88 | 35.9 | 13 | 21.0 |
| **Age** | 25 and below years | 20 | 8.0 | 1 | 1.6 |
| | 26-35 years | 121 | 49.4 | 17 | 27.4 |
| | 36-45 years | 69 | 28.2 | 33 | 53.2 |
| | 46 and above years | 35 | 14.3 | 11 | 17.7 |
| **Education level** | Diploma | 52 | 21.2 | 3 | 4.8 |
| | BA/BED/BSC | 163 | 66.5 | 41 | 66.1 |
| | Master | 30 | 12.2 | 18 | 29.0 |
| **Work experience** | 5 and below years | 83 | 33.9 | 11 | 17.7 |
| | 6-10 years | 72 | 29.4 | 13 | 21.0 |
| | 11-15 years | 53 | 21.6 | 20 | 32.3 |
| | 16 and above years | 37 | 15.1 | 18 | 29.0 |
| **Marital Status** | Single | 74 | 30.2 | 6 | 9.7 |
| | Married | 157 | 64.1 | 53 | 85.5 |
| | Divorced | 11 | 4.5 | 0 | 0 |
| | Widowed | 3 | 1.2 | 3 | 4.8 |
| **Workplace** | Municipal function office | 85 | 34.7 | 16 | 25.8 |
| | State function office | 143 | 58.4 | 42 | 67.7 |
| | Judiciary office | 12 | 4.9 | 4 | 6.5 |
| | City Council office | 5 | 2.0 | 0 | 0 |

**Source**: Survey Data, 2021

Leadership is a skill used to influence followers to work enthusiastically towards goals identified explicitly for the common good (Barrow, 1977; Cyert, 2006; Plsek, P., & Wilson, 2001). Studying leadership behavior is crucial because it helps the leaders and the organization fully utilize the resources; this gives a resistance to change in the organization and leads to being more efficient. Thus, this research examined the employees' and leaders' perceptions of leadership in public sectors. It focused on three leadership styles such as transactional, transformational, and servant leadership.

**Transactional leadership**: The dimensions of transactional leadership included contingent reward and management-by- exception (active/passive). Contingent reward corresponded with Question 26 on the leadership styles survey (n =307; M =4.51, SD =1.729). Management-by-exception (active) corresponded with Question 27 on the leadership styles survey (n =307; M =4.53, SD =1.679). Management –by- exception (passive) corresponded with Question 28 on the leadership styles survey (n =307; M =3.45, SD =1.940). The scores for the questions corresponding with each transactional leadership factor were calculated in order to compute a final transactional leadership styles score for all participants (n =307; M =12.52, SD =3.409).

**Table 2: Descriptive statistics for transactional leadership (n=307)**

| variables | Employees | | | leaders | | | Total | | |
|---|---|---|---|---|---|---|---|---|---|
| | **M** | **SD** | **n** | **M** | **SD** | **n** | **M** | **SD** | **n** |
| **Contingent Reward** | 4.42 | 1.769 | 245 | 4.84 | 1.528 | 62 | 4.51 | 1.729 | 307 |
| **Management by Exception: active** | 4.51 | 1.738 | 245 | 4.61 | 1.430 | 62 | 4.53 | 1.679 | 307 |
| **Management by Exception: Passive** | 3.57 | 1.957 | 245 | 2.97 | 1.810 | 62 | 3.45 | 1.940 | 307 |

**Source**: Survey Data, 2021

The table of descriptive statistics for transactional leadership styles tells us that public leaders' behavior in the study of public sectors was management by exception (active), contingent reward, and management by exception (passive), respectively. Therefore, the leaders' dominant transactional leadership style led the followers according to the organization's set rules and regulations.

Burns described transactional leadership as that which emphasizes exchanges between followers and leaders(Burns, 1978). This idea of exchange easily has been seen at levels in many different types of organizations. The leaders in Dessie city administration's 11 public sectors consider themselves transactional leaders, with contingent reward (M=4.84, SD=1.528) being the indicator with the highest average. It means that leaders negotiate with subordinates about the task outcomes to be accomplished. Both the leaders and followers will set the task outcomes, which the follower will accomplish to receive the rewards or avoid penalties. Leaders and employees agree on their responsibilities and roles to achieve the selected outcomes (Bass, 1985).

On the one hand, the employees consider their leaders as transactional leaders, with Management by Exception: active (M=4.51, SD=1.738) being the indicator with the highest average. It means that leaders systematically monitor employees' acts and intervene when problems or mistakes occur. Leaders aggressively search for problems and correct errors as they are identified. Leaders take corrective actions and interfere when subordinates fail to do up to the standard (Bass, 1985). Thus, Aarons (2006) said that transactional leadership is realistic as it focuses on meeting specific goals or aims.

**Transformational leadership:** The dimensions of transformational leadership include inspirational motivation, idealized influence, intellectual stimulation, and individual consideration. Transformational leadership was measured by Questions 21, 22, 23, 24, and 25 on leadership style surveys. Idealized influence (attributed) was measured by Questions 21 on the leadership styles survey (n =307; M =4.57, SD =1.892). Idealized influence (behavior) was measured by Question 22 on the leadership styles survey (n =307; M =5.29, SD =1.392). Inspirational motivation was measured by Question 23 on the leadership survey (n =307; M =5.43, SD =1.575). Intellectual stimulation was measured by Question 24 on the leadership styles survey (n =307; M =5.29, SD =1.267). Individual consideration was measured by Questions 25 on the leadership styles survey (n =307; M =5.26, SD =1.479). The scores for the questions corresponding with each transformational leadership factor were calculated to compute a final transformational leadership styles score for all participants (n =307; M =25.83, SD =5.539).

The table of descriptive statistics for transformational leadership showed that public leaders' behavior in the study public sectors was inspirational motivation, intellectual stimulation, idealized influence behavior, individual consideration, and idealized influence attributes, respectively. Thus, leaders' dominant behavior was inspirational motivation, which means those leaders were good at communicating the organizational goals and objectives.

**Table 3: Descriptive statistics for transformational leadership (n=307)**

| variables | Employees | | | leaders | | | Total | | |
|---|---|---|---|---|---|---|---|---|---|
| | **M** | **SD** | **n** | **M** | **SD** | **n** | **M** | **SD** | **n** |
| **Idealized influence attributes** | 4.35 | 1.926 | 245 | 5.47 | 1.445 | 62 | 4.57 | 1.892 | 307 |
| **Idealized influence behaviors** | 5.16 | 1.466 | 245 | 5.82 | .878 | 62 | 5.29 | 1.392 | 307 |
| **Inspirational motivation** | 5.32 | 1.674 | 245 | 5.85 | 1.006 | 62 | 5.43 | 1.575 | 307 |
| **Intellectual Stimulation** | 5.18 | 1.340 | 245 | 5.73 | .793 | 62 | 5.29 | 1.267 | 307 |
| **Individual Consideration** | 5.16 | 1.533 | 245 | 5.65 | 1.175 | 62 | 5.26 | 1.479 | 307 |

**Source**: Survey Data, 2021

Transformational leadership is how leaders engage with followers and develop a connection (one that did not previously exist) that increases the followers' morals and motivation. Because of this process, leaders help followers achieve their potential to the fullest (Yukl, 2006). According to the results obtained (table 3), the leaders consider themselves as transformational leaders, with inspirational motivation (M=5.85, SD=1.006) being the indicator with the highest average. Similarly, the employees consider their leaders as transformational leaders, with inspirational motivation (M=5.32, SD=1.674) being the highest average indicator. It means that leaders see themselves as people who believe they inspire others, articulate shared goals, and understand what is proper and necessary, thus providing insights to achieve common objectives (Bass and Avolio, 2004). The same is valid for employees. All those qualities seem to be desirable in the public sector organizations where evidence suggests that more motivated workers will increase their productivity and work satisfaction (Czech, K. & Forward, 2013).

**Servant leadership:** The dimensions of servant leadership include emotional healing, creating value for the community, conceptual skill, empowering, helping subordinates grow and succeed, putting subordinates first, and behaving ethically. Servant leadership was measured by Questions 14, 15, 16, 17, 18, 19, and 20 on leadership style surveys. Emotional healing was measured by Questions 14 on the leadership styles survey (n =307; M =5.12, SD =1.546). Creating value for the community was measured by Question 15 on the leadership styles survey (n =307; M =5.58, SD =1.401). Conceptual skill was measured by Question 16 on the leadership survey (n =307; M =5.57, SD =1.257). Also, empowering was measured by Question 17 on the leadership styles survey (n =307; M =5.23, SD =1.469). Helping subordinates grow and succeed was measured by Question 18 on the leadership styles survey (n =307; M =4.71, SD =1.698). Besides, Question 19 on the leadership styles survey (n =307; M =4.76, SD =1.702) measured putting subordinates first and success. Ethically behaving was measured by Question 20 on the leadership styles survey (n =307; M =5.73, SD =1.364). The scores for the questions corresponding with each servant leadership factor were calculated to compute a final servant leadership styles score for all participants (n =307; M =36.70, SD =6.638).

**Table 4: Descriptive statistics for servant leadership (n=307)**

| variables | Employees | | | leaders | | | Total | | |
|---|---|---|---|---|---|---|---|---|---|
| | **M** | **SD** | **n** | **M** | **SD** | **n** | **M** | **SD** | **n** |
| **Emotional healing** | 5.04 | 1.615 | 245 | 5.44 | 1.196 | 62 | 5.12 | 1.546 | 307 |
| **Creating value for the community** | 5.45 | 1.483 | 245 | 6.08 | .855 | 62 | 5.58 | 1.401 | 307 |
| **Conceptual skills** | 5.49 | 1.308 | 245 | 5.85 | .989 | 62 | 5.57 | 1.257 | 307 |
| **empowering** | 5.14 | 1.519 | 245 | 5.60 | 1.194 | 62 | 5.23 | 1.469 | 307 |
| **Helping subordinate grow and succeed** | 4.62 | 1.722 | 245 | 5.10 | 1.555 | 62 | 4.71 | 1.698 | 307 |
| **Putting subordinates first** | 4.64 | 1.745 | 245 | 5.23 | 1.442 | 62 | 4.76 | 1.702 | 307 |
| **Behaving ethically** | 5.60 | 1.415 | 245 | 6.21 | 1.010 | 62 | 5.73 | 1.364 | 307 |

**Source**: Survey Data, 2021

Table-4 of descriptive statistics for servant leadership showed that public leaders in the study public sectors behaved ethically, creating value for the community, conceptual skills, empowering, emotional healing, putting subordinates first, helping subordinates grow, and succeeding. Thus, leaders' dominant behavior behaved ethically, which means those leaders behaved ethically by conducting their work.

Servant leaders serve with a focus on the followers, whereby the followers are the primary concern and the organizational concerns are peripheral. The servant-leader constructs are virtues defined as the good moral quality in a person, the general quality of goodness, or moral excellence. According to the results obtained (table 4), the leaders consider themselves servant leaders, behaving ethically (M=6.21, SD=1.010) being the indicator with the highest average. Similarly, the employees consider their leaders as servant leaders, behaving ethically (M=5.60, SD=1.415) being the highest average indicator. It means that leaders interact openly, reasonably, and honestly with others(Liden et al., 2015). There are two primary constructs of servant leadership, which are (1) Ethical behavior, and (2) Concern for subordinates (Ehrhart, 2004). (Contee-Borders, 2003) found that servant leaders are dedicated to the growth and welfare of people. Thus, public leaders in the Dessie city administration did not give concerned with subordinates. A servant leader has a moral differentiation from the transformational leader in scarifies and altruistic services toward followers' high priority needs (Parolini, 2007).

**Hypothesis test**

The t-test had been used to compare differences between two independent groups (i.e., employees & leaders). In this case, the researcher examines the perception of leaders and employees toward leadership styles. The dependent variables here are leadership styles (transactional, transformational, and servant), normally distributed. The independent variable considered two categorical, independent groups such as leaders and employees; there was an independence of observation between leaders and employees.

In this study, different leadership levels such as strategic, operational, and team leaders are categorized as leaders in total without splitting each category.

**Table 5: A Group statistics**

|  | Group | n | Mean | SD | Std. Error Mean |
|---|---|---|---|---|---|
| **Servant** | Leader | 62 | 39.50 | 5.001 | .635 |
|  | Employee | 245 | 35.99 | 6.819 | .436 |
| **Transformational** | Leader | 62 | 28.52 | 3.338 | .424 |
|  | Employee | 245 | 25.15 | 5.778 | .369 |
| **Transactional** | Leader | 62 | 12.42 | 3.252 | .413 |
|  | Employee | 245 | 12.54 | 3.454 | .221 |

**Source**: Survey Data, 2021

**Table 6: Independent Sample t-test**

|  |  | Levene's Test for Equality of Variances | | t-test for Equality of Means | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
|  |  | F | Sig. | t | df | Sig. (2-tailed) | Mean Difference | Std. Error Difference | 95% Confidence Interval of the Difference | | |
|  |  |  |  |  |  |  |  |  | Lower | Upper |  |
| Servant | Equal variances assumed | 9.099 | .003 | 3.803 | 305 | .000 | 3.512 | .924 | 1.695 | 5.330 |  |
|  | Equal variances | | | 4.560 | 124.999 | .000 | 3.512 | .770 | 1.988 | 5.037 |  |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | not assumed | | | | | | | | |
| Transformational | Equal variances assumed | 15.706 | .000 | 4.406 | 305 | .000 | 3.369 | .765 | 1.864 | 4.874 |
| | Equal variances not assumed | | | 5.994 | 164.915 | .000 | 3.369 | .562 | 2.259 | 4.479 |
| Transactional | Equal variances assumed | 1.005 | .317 | -.254 | 305 | .799 | -.124 | .485 | -1.079 | .832 |
| | Equal variances not assumed | | | -.264 | 98.785 | .793 | -.124 | .468 | -1.053 | .806 |

**Source**: Survey Data, 2021

*H₁:- There is a perception difference between leaders and employees towards transactional leadership.*

Transactional leadership is assumed to depend on contingent reinforcement, either positive or negative, critically. Transactional leaders clarify how followers' needs are met to enact the follower's role, or the leader may react if followers fail to meet their role requirements. This study revealed that, there was no significant difference in the transactional leadership style score for leaders (M= 12.42, SD= 3.252) and employees (M= 12.54, SD= 3.454) conditions; t (98.785) = -0.264, p= 0.793. These results suggest that what employees perceived about their leaders' transactional leadership style and what leaders perceived about their transactional leadership are similar. Hence, there is no transactional leadership style perception difference between leaders and employees. Hypothesis one is rejected.

*H₂:- There is a perception difference between leaders and employees towards transformational leadership.*

Leaders who are transforming followers are assumed to pay more attention to the individual subordinate, sharing his/her concerns and development needs and treating each employee with respect. This study revealed that, there was a significant difference in the transformational leadership style perception score for leaders (M= 28.52, SD= 3.338) and employees (M= 25.15, SD= 5.778) conditions; t (305) = 4.406, p< 0.05. These results suggest that what employees perceived about their leaders' transformational leadership style and what leaders perceived about their transformational leadership are different. Thus there is a transformational leadership style perception difference between leaders and employees. Hypothesis two is accepted.

*H₃:- There is a perception difference between leaders and employees towards servant leadership.*

A servant leader has the moral character, the wisdom to foresee what is needed, and the ability to meet the people's needs (Nuijten, 2009). This study revealed that, there was a significant difference in the servant leadership style perception score for leaders (M= 39.50, SD= 5.001) and employees (M= 35.99, SD= 6.819) conditions; t (305) = 3.803, p< 0.05. These results suggest that what employees perceived about their leaders' servant leadership style and what leaders perceived about their servant leadership are different. Thus there was a perception difference among leaders and employees in servant leadership styles. Hypothesis three is accepted.

## DISCUSSION & CONCLUSION

Ethiopia's government has shown a commitment to improving public service leadership by launching various initiatives under the Civil Service Reform Program (CSRP). Among the broad areas of civil service reforms: the top-management reform subprogram was designed. The primary objective was to enhance civil service leadership members' capacity and improve leadership effectiveness in strategic planning and management and appropriate policy decisions. The sub-program also entails improving public organizations' leaders' performance in formulating institutional vision, mission, policy, and strategic plans (MOCB, 2004). The

issues connected to leadership areas, such as organizations of central institutions, responsibility, accountability, efficiency, and effectiveness of public organizations, were addressed by the projects designed under this program.

Leadership style is a crucial determinant of the success or failure of any organization. Leadership style is the mode and approach of providing direction, implementing plans, and motivating people (Ojokuku et al., 2013). The quantitative survey revealed that servant and transformational leadership styles were dominantly implemented in the selected public sectors, while transactional leadership styles did not dominate the leaders' behavior. The interviewee's results also identified different leadership styles in the sectors that have been implemented in the city administration. These included transactional, transformational, democratic leadership styles, and a combination of two or more leadership styles.

Types of transactional, transformational, and servant leadership styles dimensions which dominantly practiced in the study sectors were; according to the table-2 of descriptive statistics for transactional leadership styles, public leaders' behavior in the study public sectors was management by exception (active), contingent reward, and management by exception (passive), respectively. Therefore, the leaders' dominant transactional leadership style led the followers according to the organization's set rules and regulations. According to the results obtained (table 2), the leaders in 11 public sectors, Dessie city administration, consider themselves transactional leaders, with the contingent reward being the indicator with the highest average. It means that leaders negotiate with subordinates about the task outcomes to be accomplished. Leaders and employees agree on their responsibilities and roles to achieve the selected outcomes (Bass, 1985).

On the one hand, the employees consider their leaders as transactional leaders, with Management by Exception: active being the indicator with the highest average. It means that leaders systematically monitor employees' acts and intervene when problems or mistakes occur. Leaders take corrective actions and interfere when subordinates fail to do up to the standard (Bass, 1985). Thus, Aarons (2006) said that transactional leadership is realistic as it focuses on meeting specific goals or aims.

Also, the table-3 of descriptive statistics for transformational leadership showed that public leaders' behavior in the study public sectors was inspirational motivation, intellectual stimulation, idealized influence behavior, individual consideration, and idealized influence attributes, respectively. Thus, leaders' dominant behavior was inspirational motivation, which means those leaders were good at communicating the organizational goals and objectives. The leaders consider themselves transformational leaders, with inspirational motivation being the indicator with the highest average. Similarly, the employees consider their leaders as transformational leaders, with inspirational motivation being the highest average indicator. It means that leaders see themselves as people who believe they inspire others, articulate shared goals, and understand what is proper and necessary, thus providing insights to achieve common objectives (Bass and Avolio, 2004). The same is valid for employees.

Besides, the table-4 of descriptive statistics for servant leadership showed that public leaders' behavior in the study public sectors was behaving ethically, creating value for the community, conceptual skills, empowering, emotional healing, putting subordinates first, helping subordinates grow, and succeed. Thus, leaders' dominant behavior behaved ethically, which means those leaders behaved ethically by conducting their work. According to the results obtained (table 4), the leaders consider themselves servant leaders, ethically behaving being the highest average indicator. Similarly, the employees consider their leaders as servant leaders, ethically behaving being the highest average indicator. It means that leaders interact openly, reasonably, and honestly with others(Liden et al., 2015). A servant leader has a moral differentiation from the transformational leader in scarifies and altruistic services toward followers' high priority needs (Parolini, 2007).

The researcher conducted a perception test to compare leaders' perception of their leadership styles in the study city with employees' perception of their leaders' leadership styles. The t-test is used to compare the differences between two independent groups. The result revealed that, there was a significant difference in the servant leadership style perception score for leaders (M= 39.50, SD= 5.001) and employees (M= 35.99, SD= 6.819) conditions; t (305) = 3.803, p< 0.05. These results suggest that what employees perceived about their leaders' servant leadership style and what leaders perceived about their servant leadership are different. Thus there was a perception difference among leaders and employees in servant leadership styles. Likewise, there was a significant difference in the transformational leadership style perception score for leaders (M= 28.52, SD= 3.338) and employees (M= 25.15, SD= 5.778) conditions; t (305) = 4.406, p< 0.05. These results suggest that what employees perceived about their leaders' transformational leadership style and what leaders perceived about their transformational leadership are different. Thus there is a transformational leadership style perception difference between leaders and employees.

On the other hand, there was no significant difference in the transactional leadership style score for leaders (M= 12.42, SD= 3.252) and employees (M= 12.54, SD= 3.454) conditions; t (98.785) = -0.264, p= 0.793. These results suggest that what employees

perceived about their leaders' transactional leadership style and what leaders perceived about their transactional leadership are similar. Hence, there is no transactional leadership style perception difference between leaders and employees.

In conclusion, both leaders and employees had a similar perception of transactional leadership styles. In contrast, they had a different perception of the servant and transformational leadership styles, which means that leaders considered themselves servant or transformational leaders. However, employees did not consider themselves as servant or transformational leaders; instead, employees considered their leaders as transactional leaders. In comparison with employees, leaders rate high scores for their transactional, transformational, and servant leadership style behavior except for the management by exception- passive.

## Theoretical and practical contributions

Prior research has shown that leaders' and followers' perceptions of leadership can differ for various reasons (Awamleh, 1999; De Vries et al., 2002; De Vries, 1999; Felfe, 2006; Meindl et al., 1985); thus these differences could lead to either the under-or overestimation of the impact of leadership styles on performance. Hence, the leadership measurement scale should include both leaders' and subordinates' perceptions of leadership. Using either one of the two may lead to the wrong conclusion because of the leaders' and subordinates' perceptions of leadership differences.

Even though the Dessie city administration is implementing various public sector reforms, the public sectors' performance is deficient; thus, the city communities complain about the government's service delivery (DCACSO, 2019). According to the report, the main reasons for the poor performance of the public sectors are leadership problems. Compared with leaders' self-evaluation rate, employees rate low scores for Dessie city public sector leaders' transactional, transformational, and servant leadership style behavior except for the management by exception-passive. So, public sector leaders should evaluate their leadership styles continuously and improve their leadership by taking different leadership training. Also, to improve servant leadership behavior, the Dessie city administration's public leaders should give subordinates concerns. There are two primary constructs of servant leadership, which are (1) Ethical behavior, and (2) Concern for subordinates (Ehrhart, 2004). (Contee-Borders, 2003) found that servant leaders are dedicated to the growth and welfare of people. In contrast, public leaders in the Dessie city administration did not give concerned with subordinates.

## Recommendation for future research

This research was conducted with different leaders as one category (strategic, operational, and team) leaders and employees' perceptions of leadership. Future research should study different leaders that are strategic, operational, or team leaders. Which helps to know which level of leaders have approximately similar perceptions with employees?

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