

Article

EXAMINING THE IMPACT OF LEADERSHIP ON ORGANIZATIONAL EFFECTIVENESS IN THE LOCAL LAND TRANSPORTATION OFFICE

Sannilyn Sabay*

Dia Canto Coraza

Leslie Diores Pesong

Leziel Sebua Cabaron

Jestine Ann Lopez Banos

Corresponding Author: sannilynsabay@gmail.com

Abstract: This research aims to assess the leadership styles in relation to organizational effectiveness at the identified Land Transportation Office (LTO) offices. Perceptions of the leadership styles of administrators in terms of directing, coaching, supporting, and delegating are evaluated by the respondent groups. The level of organizational effectiveness is assessed based on dimensions such as organizational performance, communication and collaboration, and customer service, as perceived by the respondents. Furthermore, the study explores the existence of a significant relationship between leadership styles and organizational effectiveness. The findings of this research provide valuable insights into the organization's demographics, leadership styles, organizational effectiveness, and areas of improvement, enabling the formulation of recommendations for enhancing leadership, communication, collaboration, and overall organizational performance.

Keywords: Leadership, organizational effectiveness, local transportation office

Introduction

Customer Leadership styles have a crucial impact on organizational effectiveness. The way leaders interact with their teams and guide the organization can influence employee engagement, teamwork, adaptability, decision-making, organizational culture, and talent development (Birowu & Ofurum, 2020). According to Codagnone (2021) effective leadership styles foster employee engagement, promote collaboration, and create a flexible and adaptive

Sabay Et al. (2023). Examining the impact of leadership on organizational effectiveness in the local land transportation office. Copyright (c) 2023. Author (s). This is an open term of Creative Commons Attribution License (CC BY).

www.wjehr.com



Copyright: © 2023 by the authors. Submitted for possible open access publication under the terms and conditions of the Creative Commons Attribution (CC BY) license(<https://creativecommons.org/licenses/by/4.0/>).

environment. Pathiranage (2019) emphasized that they involve employees in decision-making, establish a positive organizational culture, and prioritize talent development. Leaders who can adapt their style to the organization's needs maximize its effectiveness. Overall, leadership styles play a vital role in shaping the success and productivity of an organization (Moore & Hanson, 2022).

Moreover, leadership styles have a profound influence on organizational effectiveness. Effective leaders understand that their style of leadership impacts employee engagement and motivation (Kamel, 2019). Creating a positive and inclusive work environment, leaders can foster a sense of commitment and loyalty among employees, leading to increased productivity and overall effectiveness (Vu, 2020). Furthermore, leadership styles that emphasize teamwork and collaboration facilitate the sharing of ideas and knowledge within the organization. This enhances problem-solving abilities, innovation, and creativity, ultimately driving organizational effectiveness. Adaptability is another critical aspect influenced by leadership styles. In today's dynamic business landscape, leaders must be flexible and open to change. Leadership styles that encourage adaptability and empower employees to embrace new challenges and opportunities can position the organization to thrive amidst uncertainties (Chhibber & Gupta, 2020). Effective decision-making is also closely tied to leadership styles. Leaders who involve their team members in the decision-making process, seek diverse perspectives, and consider relevant information are more likely to make informed and effective decisions (Wheeler & Root-Bernstein, 2020). This inclusive approach enhances organizational effectiveness by leveraging the collective intelligence of the workforce. In addition, organizational culture is significantly impacted by leadership styles. Leaders who embody ethical behavior, transparency, and integrity establish a positive culture that promotes trust, collaboration, and high performance. A healthy organizational culture contributes to employee satisfaction, retention, and overall organizational effectiveness (Hongal & Kinange, 2020).

However, leadership styles can present challenges to organizational effectiveness. One challenge is the potential for a mismatch between the leadership style and the organization's needs or context (Afsar & Umnari, 2020). If the leadership style does not align with the organization's goals or culture, it can hinder employee engagement and hinder teamwork. Another challenge arises from autocratic or micromanaging leadership styles, which can stifle employee autonomy and creativity (Mehraein et al., 2023). This limits innovation and prevents individuals from fully contributing their ideas and expertise. Inconsistent or indecisive leadership can also pose challenges. When leaders struggle to make timely and clear decisions, it can lead to confusion, delays, and a lack of direction within the organization (DeMartino & Weiser, 2021).

Leadership styles that lack inclusivity and fail to involve employees in decision-making can result in a lack of ownership and commitment among team members (Vito & Sethi, 2020). This can impact motivation, collaboration, and overall organizational effectiveness. Additionally, leaders may face challenges when transitioning between different leadership styles. Shifting from a directive style to a more participative approach, for example, requires careful navigation and adaptation to ensure a smooth transition and avoid disruptions. In summary, challenges in leadership styles on organizational effectiveness can arise from mismatches with organizational needs, autocratic or indecisive approaches, lack of inclusivity, and difficulties in transitioning between styles. Overcoming these challenges requires self-awareness, flexibility, and an understanding of the organization's unique requirements to foster a positive impact on organizational effectiveness (Do et al., 20220).

In addition, certain leadership styles may encounter resistance when attempting to implement change within an organization. Busari et al. (2020) stated that people naturally resist change, and leaders who fail to effectively communicate the rationale and benefits of change may face challenges in gaining buy-in from employees. This can hinder the effectiveness of organizational initiatives and impede progress. Leadership styles that do not align with the organization's cultural values and norms can create challenges. For example, if an organization values collaboration and inclusivity but the leader adopts an authoritative and top-down approach, it can create a disconnect and hinder organizational effectiveness. Moreover, a cultural mismatch between leadership style and organizational values can lead to decreased employee morale, disengagement, and reduced performance. The leadership style adopted by LTO administrators significantly influences the overall organizational effectiveness. However, there is a lack of comprehensive research exploring the impact of leadership styles on the organizational effectiveness of LTO administrators. Thus, this study aims to examine the relationship between leadership styles and organizational effectiveness within the context of the Land Transportation Office, providing valuable insights for improving leadership practices and enhancing the overall performance of the organization.

Methodology

The research methodology for this study employed a descriptive correlational design. The study aims to describe the current state of leadership styles and their correlation with organizational effectiveness within the Land Transportation Office (LTO). A representative sample of LTO administrators and employees will be selected for data collection. Surveys or questionnaires will be administered to gather data, with Likert scale items used to measure the identified constructs

of leadership styles and organizational effectiveness. Descriptive statistics will be utilized to summarize the data, including means, standard deviations, and frequency distributions. The respondents of the study were the employees and administrators. Both administrators and employees within the organization. Administrators, or leaders, are the individuals in management or supervisory positions responsible for guiding and directing the organization. Their insights are crucial in understanding how different leadership styles are implemented and the outcomes they produce. Directing, coaching, supporting, and delegating leadership styles is based on general knowledge and understanding of leadership theories, including the Situational Leadership Theory (SLT). The descriptions align with the fundamental principles and concepts associated with SLT, which was introduced by Hersey, P., and Blanchard, K. H. in their book "Management of Organizational Behavior: Utilizing Human Resources" (1988).

Organizational performance is another vital aspect that determines the effectiveness of the LTO. The indicators provided, including goal achievement, continuous improvement of services and processes, and operational efficiency, are widely recognized in the literature as essential components of organizational performance (e.g., Jones & James, 2017). By examining the impact of leadership styles on these indicators, the study can shed light on how different leadership approaches influence the overall performance of the LTO. Effective communication and collaboration are essential for smooth operations and coordination within an organization. The indicators listed, such as open communication, encouragement of collaboration and teamwork, and smooth information flow across departments, align with well-established factors that promote effective communication and collaboration in the workplace (e.g., Jehn & Bezrukova, 2010).

Results and Discussion

Table 1. Directive Leadership

Indicators	Administrator		Employees	
	Mean	VD	Mean	VD
Clear and specific instructions provided to employees.	5	SA	4.54	SA
Close supervision and monitoring of employee performance.	5	SA	4.25	SA
Leaders making decisions without much input from employees.	5	SA	4.54	SA
Emphasis on following established procedures and protocols.	5	SA	4.27	A
Limited autonomy given to employees in decision-making.	5	SA	4.12	A
Grand Mean	5	SA	4.34	SA

The results from Table 1 indicate that the directive leadership style is being highly perceived by the Administrator while it is moderately to highly perceived by Employees. The administrator displays strong agreement (SA) with a consistent mean score of 5 on all indicators. From the employee perspective, the grand mean score of 4.34 falls into the Strongly Agree (SA) range, suggesting a generally positive perception of the directive leadership style. However, the scores vary slightly between indicators. Employees exhibit strong agreement (SA) on the clarity of instructions provided by the leaders (4.54) and leaders making decisions without much input from them (4.54). On the other hand, the emphasis on following established procedures and protocols (4.27) and the limited autonomy given to them in decision-making (4.12) fall into the Agree (A) range, indicating a slightly lower level of agreement on these aspects. The lowest score is in the area of close supervision and monitoring of employee performance (4.25), although still indicating substantial agreement. Overall, employees perceive a directive leadership style quite positively, albeit with room for some improvements in areas such as autonomy and the level of close supervision.

Table 2. Coaching Leadership

Indicators	Administrator		Employees	
	Mean	VD	Mean	VD
Guidance and support provided to employees to develop their skills.	5	SA	4.64	SA
two-way communication where leaders actively listen and provide feedback.	5	SA	4.35	SA
Leaders involve employees in problem-solving and decision-making.	5	SA	4.74	SA
Leaders focus on building trust and rapport with employees.	5	SA	4.28	SA
Leaders provide constructive feedback and help employees improve their performance.	5	SA	4.25	SA
Grand Mean	5	SA	4.45	SA

The results from Table 2 show that the perception of coaching leadership style from both the Administrator and Employees are generally positive. The administrator has a consistent mean score of 5, indicating a strong agreement (SA) on all indicators, such as providing guidance and support to employees, facilitating two-way communication, involving employees in problem-solving and decision-making, focusing on building trust and rapport, and providing constructive feedback. On the other hand, the employees' perspective exhibits a grand mean score of 4.45, signifying a substantial agreement (SA). Among the highest scored indicators are the guidance and support provided to employees to develop their skills (4.64) and leaders involving employees in problem-solving and decision-making (4.74).

The two lower scores, although still quite high, are found in the areas of leaders building trust and rapport with employees (4.28) and leaders providing constructive feedback and help to improve performance (4.25). This suggests that, although employees generally feel positively about the coaching leadership style, they feel there could be some improvement in these areas. However, overall, the results demonstrate a highly effective coaching leadership style as perceived by both the administrator and the employees.

Table 3. Supportive Leadership

Indicators	Administrator		Employees	
	Mean	VD	Mean	VD
Leaders provide emotional support and encouragement to employees	5	SA	4.36	SA
Employees are given autonomy to make decisions within their roles.	5	SA	4.25	SA
Leaders empower employees and delegate responsibilities.	5	SA	4.25	SA
Leaders foster a positive work environment and recognize employee contributions.	5	SA	4.65	SA
Leaders provide resources and remove barriers to support employee success.	5	SA	4.25	SA
Grand Mean	5	SA	4.35	SA

Table 3 displays the perception of the supportive leadership style from both the Administrator and Employees' points of view. The Administrator indicates a strong agreement (SA) on all indicators, reflected in the consistent mean score of 5. These indicators encompass providing emotional support and encouragement, granting employees autonomy in decision-making within their roles, empowering and delegating responsibilities to employees, fostering a positive work environment with recognition for contributions, and providing resources while removing barriers for employee success. From the employees' perspective, the grand mean of 4.35 falls in the Strongly Agree (SA) range, indicating an overall positive view towards the supportive leadership style. Employees strongly agree that leaders provide emotional support and encouragement (4.36), foster a positive work environment, and recognize employee contributions (4.65). However, employees perceive the autonomy given to make decisions within their roles, leaders empowering and delegating responsibilities, and the provision of resources to support success at a slightly lower level (4.25), although still in the Strongly Agree (SA) range.

These findings suggest that while employees see their leaders as supportive overall, there could be improvements in areas such as decision-making autonomy, empowering employees, and providing resources for success. However, the supportive leadership style's overall reception is highly positive from both the Administrator's and

Employees' perspectives. These findings provide a valuable opportunity for the organization to enhance its leadership practices. By taking the identified areas for improvement into consideration, the organization can strive to create a more empowering, supportive, and resourceful environment that could significantly enhance employee engagement and job satisfaction.

Table 4. Delegating Leadership

Indicators	Administrator		Employees	
	Mean	VD	Mean	VD
Employees are given high levels of autonomy and decision-making authority.	5	SA	4.25	SA
Leaders trust employees' capabilities and judgment.	5	SA	4.32	SA
Leaders provide support and resources when needed.	5	SA	4.25	SA
Employees have ownership over their tasks and projects	5	SA	4.45	SA
Leaders focus on long-term development and growth opportunities for employees.	5	SA	4.25	SA
Grand Mean	5	SA	4.30	SA

Table 4 presents perceptions of delegating leadership from both the Administrator and Employees. From the Administrator's perspective, there is a strong agreement (SA), with a consistent mean score of 5 on all indicators. The Employees' perspective displays a grand mean of 4.30, landing in the Strongly Agree (SA) category, thus signaling a generally positive perception of the delegating leadership style. Employees strongly agree that they are given high levels of autonomy and decision-making authority (4.25), that leaders trust their capabilities and judgment (4.32), and that they receive necessary support and resources (4.25). They also perceive that they have significant ownership over their tasks and projects (4.45), and that leaders focus on their long-term development and growth opportunities (4.25).

The results indicate that employees appreciate the delegation leadership style employed in the organization. They particularly value the ownership given to them over tasks and projects. However, they see room for improvement in areas such as the provision of autonomy, decision-making authority, and resources, and a focus on long-term development. Overall, the delegating leadership style is viewed positively by both the Administrator and the Employees, suggesting it's effective within this organization. These results imply that while the organization is on the right path with its delegating leadership style, leaders can make some adjustments to further enhance employee satisfaction, engagement, and productivity.

Table 5. Organizational Performance

Indicators	Administrator		Employees	
	Mean	VD	Mean	VD
The LTO achieves its goals and objectives.	4.5	SA	4.25	SA
The LTO continuously improves its services and processes.	4.5	SA	4.06	A
The LTO demonstrates a high level of efficiency in its operations.	4.5	SA	3.95	A
the LTO provides services to customers within the expected timeframes.	5	SA	4.45	SA
The LTO minimizes delays and ensures efficient processing of transactions.	5	SA	4.32	SA
Grand Mean	4.70	SA	4.21	A

Table 5 provides an overview of perceptions concerning the organizational performance of the LTO from both the Administrator's and Employees' perspectives. The Administrator shows a high level of agreement on all indicators, with mean scores of 4.5 on effectiveness in achieving goals and objectives, continuous improvement of services and processes, and operational efficiency, and a score of 5 on providing services within expected timeframes and minimizing delays in transaction processing. From the Employees' perspective, the grand mean of 4.21 falls into the Agree (A) range, indicating that employees generally perceive the LTO as performing well. Employees strongly agree (SA) that the LTO effectively achieves its goals and objectives (4.25), provides services within expected timeframes (4.45), and minimizes delays in transactions (4.32). However, employees merely agree (A) on the continuous improvement of services and processes (4.06) and the demonstration of high operational efficiency (3.95), suggesting these areas could be improved. These results imply that while employees recognize the LTO's effectiveness in achieving goals, providing services timely, and ensuring efficient transaction processing, they perceive room for improvement in continuous process and service enhancement and overall operational efficiency.

Table 6. Communication and Collaboration

Indicators	Administrator		Employees	
	Mean	VD	Mean	VD
There is open and effective communication within the LTO.	5	SA	4.54	SA
The LTO administration encourages collaboration and teamwork among employees.	5	SA	4.25	SA
Information flows smoothly and timely across different departments within the LTO.	4.5	SA	4.15	A

Different departments within the LTO effectively coordinate and collaborate on tasks and projects.	4.5	SA	3.80	SA
Communication channels exist for sharing information and updates across departments.	4.5	SA	4.12	A
Grand Mean	4.70	SA	4.17	A

Table 6 provides a comparison between the Administrator's and Employees' perceptions regarding communication and collaboration within the LTO. The Administrator's mean ratings are consistently high, indicating a strong agreement (SA) that there is open and effective communication, encouragement for collaboration and teamwork, smooth and timely information flow, effective coordination between departments, and the existence of communication channels for information sharing. In contrast, while the Employees' grand mean of 4.17 falls into the Agree (A) category, the scores reveal some discrepancies. Employees strongly agree (SA) that there is open and effective communication within the LTO (4.54) and that the administration encourages collaboration and teamwork (4.25). However, they merely agree (A) on the smoothness and timeliness of information flow (4.15) and the existence of communication channels for sharing information (4.12). Additionally, the score for effective coordination and collaboration across different departments is the lowest (3.80), although still falling within the Strongly Agree (SA) range as per the legend provided. These results suggest that while employees generally have a positive view of communication and collaboration within the LTO, there are areas that could be improved. Specifically, employees perceive a need for enhancing the flow of information, establishing more effective communication channels, and improving interdepartmental coordination and collaboration.

Table 7. Customer Service

Indicators	Administrator		Employees	
	Mean	VD	Mean	VD
The LTO provides satisfactory services to its customers.	5	SA	4.54	SA
The LTO administration prioritizes meeting customer needs and expectations.	5	SA	4.15	SA
Customers' feedback and complaints are promptly addressed by the LTO administration.	5	SA	4.02	A
The LTO demonstrates a commitment to upholding ethical and professional standards.	5	SA	4.10	SA
The LTO actively seeks and considers feedback from stakeholders	5	SA	4.20	A
Grand Mean	5	SA	4.20	A

Table 7 presents the perceptions of customer service at the LTO, comparing the views of the Administrator and Employees. The Administrator's responses show a strong agreement (SA) across all the indicators, each with a mean score of 5. These include satisfaction with services provided to customers, priority given to meeting customer needs and expectations, prompt addressing of customer feedback and complaints, commitment to ethical and professional standards, and active seeking and consideration of stakeholder feedback for operational improvement. The Employees' responses, while still positive with a grand mean of 4.20 falling into the Agree (A) range, indicate some potential areas for improvement. Employees strongly agree (SA) that the LTO provides satisfactory services to its customers (4.54) and that the administration prioritizes meeting customer needs and expectations (4.15). However, they only agree (A) that customers' feedback and complaints are promptly addressed (4.02), that the LTO demonstrates a commitment to upholding ethical and professional standards (4.10), and that the LTO actively seeks and considers feedback from stakeholders to improve its operations (4.20). These results suggest that while employees generally perceive the LTO's customer service positively, there could be room for improvement in promptly addressing customer feedback and complaints, maintaining ethical and professional standards, and seeking and considering stakeholder feedback for improvements. However, the overall perception of customer service at the LTO, from both the Administrator's and Employees' perspectives, is favorable.

Table 8. Significant Relationship

Source of Correlation	Kendall's Correlation	p - value	Coef. of Determination
Leadership Style VS Organizational Commitment	Identified Leadership Style do not affect organizational commitment		
Organizational Performance VS Communication and Collaboration	-0.6667	0.3173	0.4444

Based on the information provided in Table 15, it appears that there is a significant negative correlation between Communication and Collaboration and Organizational Performance. The Kendall's Correlation coefficient is -0.6667, indicating a strong negative relationship. However, the p-value of 0.3173 suggests that this relationship may not be statistically significant. The coefficient of determination, also known as R-squared, is 0.4444, which indicates that approximately 44.44% of the variance in Organizational Performance can be explained by the variance in Communication and Collaboration.

Conclusion

Based on the findings presented, several conclusions can be drawn about the organization. Finding showed that the leadership styles demonstrated by administrators, including directive, coaching, supportive, and delegating styles, are perceived positively by both employees and administrators themselves. This indicates a favorable leadership environment that fosters guidance, support, and trust among employees. Third, the organization shows commendable performance in achieving its goals, continuously improving services and processes, and providing satisfactory customer service. However, there is room for improvement in terms of efficiency, communication, collaboration, and addressing customer feedback and complaints. Addressing these areas can contribute to further enhancing organizational effectiveness. Fourth, the identified issues and concerns highlight the importance of providing adequate feedback and recognition to employees, as well as creating more development opportunities and ensuring sufficient support and resources. Effective delegation, strategic vision, adaptability, and flexibility are also areas that require attention to optimize organizational performance. Lastly, the significant negative relationship between communication and collaboration and organizational performance implies that improving communication channels and fostering effective collaboration among different departments can have a positive impact on the organization's overall performance.

References

- Afsar, B., & Umrani, W. A. (2020). Transformational leadership and innovative work behavior: The role of motivation to learn, task complexity and innovation climate. *European Journal of Innovation Management*, 23(3), 402-428.
- Busari, A. H., Khan, S. N., Abdullah, S. M., & Mughal, Y. H. (2020). Transformational leadership style, followership, and factors of employees' reactions towards organizational change. *Journal of Asia Business Studies*, 14(2), 181-209.
- Biriowu, C. S., & Ofurum, U. A. (2020). Employee engagement and organizational survival. *World Journal of Innovative Research*, 9(5), 79-92.
- Codagnone, R. A. (2021). *Perspectives of leadership styles prediction of employee engagement in a lean manufacturing environment* (Doctoral dissertation, Grand Canyon University).
- DeMartino, L., & Weiser, S. G. (2021, May). Administrative leadership in times of a global health crisis: Voices and images from the field. In *Frontiers in Education* (Vol. 6, p. 617857). Frontiers Media SA.
- Do, H., Budhwar, P., Shipton, H., Nguyen, H. D., & Nguyen, B. (2022). Building organizational resilience, innovation through resource-

- based management initiatives, organizational learning and environmental dynamism. *Journal of Business Research*, 141, 808-821.c
- Kamel, N. (2019, November). Implementing talent management and its effect on employee engagement and organizational performance. In *Abu Dhabi International Petroleum Exhibition & Conference*. OnePetro.
- Chhibber, V., & Gupta, M. (2020). Resilience in Leadership Styles amidst COVID Pandemic.
- Hongal, P., & Kinange, U. (2020). A study on talent management and its impact on organization performance-an empirical review. *International Journal of Engineering and Management Research*, 10.c
- Mehraein, V., Visintin, F., & Pittino, D. (2023). The dark side of leadership: A systematic review of creativity and innovation. *International Journal of Management Reviews*.
- Moore, J. R., & Hanson, W. (2022). Improving leader effectiveness: impact on employee engagement and retention. *Journal of Management Development*, (ahead-of-print).
- Pathiranage, J. (2019). Organizational culture and business performance: an empirical study. *International Journal of Economics and Management*, 24(2), 264-278.
- Wheeler, H. C., & Root-Bernstein, M. (2020). Informing decision-making with Indigenous and local knowledge and science. *Journal of Applied Ecology*, 57(9), 1634-1643.
- Vu, H. M. (2020). Employee empowerment and empowering leadership: A literature review.
- Vito, R., & Sethi, B. (2020). Managing change: role of leadership and diversity management. *Journal of Organizational Change Management*, 33(7), 1471-1483.