



**THE MODERATING EFFECT OF ORGANIZATIONAL CULTURE ON THE
INFLUENCE OF TRANSACTIONAL LEADERSHIP STYLE ON ORGANIZATION
PERFORMANCE OF NATIONAL YOUTH SERVICE IN KENYA**

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Abstract

Theoretical and empirical assertion have inconclusive arguments on the influence of transactional leadership in different sectors. Different conceptualizations on the effect of leadership have been explored where some studies have been significant or not and/or positive or not. Further, these empirical studies have been limited to direct influence of leadership style on organizational performance. Hence, the current study examined the moderating effect of organizational culture on the influence of transactional leadership style on organizational performance of National Youth Service in Kenya. The study was anchored on leader member exchange theory. It adopted descriptive research design and drew primary data through administration of questionnaires. The data was analyzed through descriptive and inferential statistics and presented in figures and tables. Results of the study revealed statistically positive significant effect of transactional leadership style on organizational performance of National Youth Service in Kenya. Further, organizational culture had positive statistically moderating effect on the influence of transactional leadership style on organizational performance of National Youth Service. It was concluded that positive changes in transactional leadership style had positive multiplier effect on organizational performance of National Youth Service in Kenya. It was recommended that the leadership of NYS should integrate individual, organizational, social, and environmental developments to create sustainable leadership.

Key words: Transactional Leadership Style, Organizational Culture, Organizational Performance

Introduction

In 2020, the influence of leaders and their decisions, and the importance of leadership responsibility, have come to the forefront and into daily lives of most people on earth (Blanchard, 2020). The need for leaders to make decisions more responsibly is a well-known challenge in today's social contexts (Stachowicz-Stanusch et al., 2017). Thus, understanding the impact of leadership on performance is very important as some researchers realize that the main affecting force for improving job performance is leadership (Mahdinezhad et al., 2013).

Styles approach emphasizes the behavior of the leader. This distinguishes it from the traits approach which emphasizes the personality characteristics of leadership capabilities. The style approach focuses exclusively on what leaders do and how they act. In shifting the study of leadership-to-*leadership* style, this approach expanded the study of leadership to include the actions of leader towards subordinates in various contexts (Northouse, 2007). Successful leadership styles assist in building fruitful work-based groups (Botero & Van Dyne, 2009). The nature of this influence is such that the members of the team cooperate voluntarily with each other in order to achieve the objectives which the leader has set for each member, as well as for the group (Gandolfi & Stone, 2017). Moreover, leadership is a key factor in enhancing organizational performance of most if not all organizations and the success or failure of organizations rests on effectiveness of leadership at all levels (Van Prooijen & de Vries, 2017).

Transactional leadership is a conventional leadership style. It refers to bulky of leadership models which focus on the exchange that occur between leaders and followers (Northouse, 2007). Transactional leadership alludes to the act of persuading adherents through an exchange procedure including extraneous prizes, tenets, and consistence. For individual interests of dependents leaders are responsible if those are related to the value of the work done by dependents (Purwanto et al., 2020). This leadership is more appropriate for traditional organizations which have more stiff structures working in a steady environment (Rasool et al., 2015). It involves the utilization of unforeseen rewards and authorizes to make singular workers pursue their responsibility while adding to organizational objective achievements (Jensen et al., 2019). Transactional leadership style can include values, yet those qualities apply to the exchange process like trustworthiness, obligation, and correspondence (Purwanto et al., 2020).

Hence, transactional leaders are the individuals who lead by trading or offering a reward for the coveted result for instance money related prizes or special open doors for achieving performance targets. This results in attractive lower-level needs such as security and pay. These kinds of exchanges are likewise delineated in the public choice theory, the norm of reciprocity, and social exchange theory which are loaded in administrative literature (Caillier, 2014). However, leadership research has barely drawn in with what is apparently one of the greater difficulties of leaderships in firms. Leadership is regularly comprehended as occurring in a circumstance (Yukl, 2002).

Svard (2017) gave an insight about the importance of approachability and transparency in leaders. She argues that with the presence of these elements in a leader, the subordinates look forward to working with them for the reason that they hold the same responsibility as subordinates and they also receive feedback in an effective manner. Koech and Namusonge (2012) and Orabi (2016) have investigated the effects of leadership style on organizational performance in small scale enterprises. The major objective was to determine effect of leadership styles on performance in

small scale enterprises. Transactional leadership behaviors and performance/outcome variables were constructive/contingent reward and corrective/management by exception; and effort, productivity and loyalty/commitment, respectively. The result showed that transactional leadership style had significant positive effect on performance. The study concluded that transactional leadership style was more appropriate in inducing performance in small scale enterprises (Obiwuru et. al., 2011). Koech and Namusonge investigated the main effects of leadership styles on organizational performance at state-owned corporations in Kenya. That study specifically sought to determine the impact of transactional leadership styles on organizational performance at state-owned corporations in Kenya. To discover the leadership styles that influence organizational performance, correlation analysis was employed. Correlations between the transactional-leadership behaviors and organizational performance were relatively high (Koech & Namusonge, 2012).

In this regard, this study sought to examine the influence of transactional leadership on organizational performance of National Youth Service in Kenya. Specifically, the study was guided by the following research questions:

- i. What is the influence of transactional leadership on organizational performance of National Youth Service in Kenya?
- ii. Does organization culture have moderating effect on the influence of transactional leadership on organizational performance of National Youth Service in Kenya?

Literature Review

Theoretical Review

Leader Member Exchange Theory

Leader member exchange theory (LMX) gives a structure to specialists to assess the effect of predominant subordinate connections. This theory was created in the late 70's by researchers George B. Graen and Mary Uhl-Bien (Nie & Lämsä, 2015). LMX theory is grounded in the conviction that there are contrasts in the nature of connections among leaders and their junior staff (Nie & Lämsä, 2015). The value of the theory resides in the hypothesis that relationships quality is predictive of outcomes (Nie & Lämsä, 2015). In particular, higher-quality relationships are related with more positive authoritative and member results and in addition less business-related problems. LMX theory has been used as an establishment for assessing the results of predominant subordinate relationships in a number of expert fields (Saeed et al., 2014).

The LMX theory has been applied only on a limited basis (Hallinger & Hecker, 2010). However, the language that LMX theorists have used to describe superior-subordinate relationship quality is consistent with leadership styles and organizational performance. The construct of relationship quality is the degree to which trust, respect, and mutual obligations exist within a dyad (Saeed, et al., 2014). A central attribute of this theory is its attention on the running connection between a leader and the different members of the organization (Saeed, et al., 2014).

It can also be specified as a transactional approach, since both the leader and the subordinates are seen as equal participants. LMX theory insisted on the chance that leaders in fact treat their differing workers differently (Saeed et al., 2014). The main contributions of the LMX theory to

understanding of organizational behavior rests in the recognition of various precursors of supposed high and low-quality relationships and in the watched association between leader member exchange quality and several firm outcomes. Generally, couple of studies has tended to these issues.

Little research has been completed to survey the conveyance of quality of relationships, i.e., the prevalence of differentiated relationships within organizations. Different issues meriting keen consideration incorporate the inquiry whether relationships are distinctively characterized by leaders than by subordinates, and by various subordinates (Northouse, 2004). The Vertical Dyad Linkage theory was produced in response to theories that assumed that leaders embrace one leadership style towards all individuals from their work unit (Graen & Cashman, 1975; Kang, & Stewart, 2007).

Chin and Trimble (2015) opine that LMX leadership theory neglects the notion that leadership can be co-created in groups and may engender socially unjust relationships between leaders and members in the creation of favored or in-group, where minority and historically oppressed often compose of the out-group. As an alternative, Chin and Trimble (2015) offered an expansion of LMX theory, described as diverse leader-member organization exchange (DLMOX) theory, which focuses on “diverse leaders and members interacting within the context of their organizations and lived experiences” (Fassinger, Burki & Shullman, 2017).

Diversity-oriented conceptualizations of leadership emphasize leader identities and social location as well as complex aspects of the social and organizational context in which leadership is being enacted. In addition, this expanded view of leadership is all rooted in social justice goals of community empowerment and change and endorse leadership processes that can be described as collaborative, value based, identity-offering, ethical, inclusive and socially responsible. In contemporary leadership research, the infusion of diversity consideration is important.

It is asserted that the strong need for individual learning and personal growth is the hallmark of successful diversity. It emphasizes on openness to new information and novel ways of thinking. It depends on collaboration and shared responsibility for solving problems and moving forward (Fassinger et al., 2017). The theory is relevant for the study since there is need for adoption of harmonized reward and punishment, leaders’ stakeholders’ relations, communication and job satisfaction that aids in achievement of productivity, quality service delivery, accountability and learning and growth perspective.

Transactional Leadership and Organizational Performance

A study by Longe (2014) revealed that the transactional leadership style has a positive impact on the organizational performance. This style helps in creating an environment that is optimal for performance and also articulates the compelling vision that enhances the overall organizational performance. According to another research conducted by Sofi and Devanadhen (2015), transactional leadership style was not found to have a direct impact on performance of organizations. This style does not encourage creativity and innovation among employees and hence employees do not perform as per expectations of the organization.

Another research sought to determine the effect of leadership Style on organizational performance in Small and Medium Scale enterprises in Makurdi metropolis of Benue State, Nigeria. It was carried out with reference to Water First Rehoboth Limited, Steam Fast Restaurant and Panet

Technologies Limited. Data was collected from a population and sample of 70 staff of the organizations and analyzed with Friedman's Chi-Square statistics using the Statistical Package for Social Sciences. The results show transactional leadership style has a positive significant effect on employee performance. It was concluded that transactional leadership style is more appropriate in inducing performance in small scale enterprises in Makurdi metropolis. Findings recommended that small scale enterprises should adopt transactional leadership style at the initial stage of entry into business but should strategize to transit as the business grow and mature (Caillier, 2014).

Hassan (2018) studied the impact of leadership styles and organization performance in United Arab Emirates. Descriptive research design was applied and primary data was sourced through administration of questionnaires among bank employees. Univariate and multiple regression analysis were used for data analysis. Results of the study indicated statistically positive significant effect of transactional leadership, transformational leadership, autocratic leadership, democratic leadership, charismatic leadership and bureaucratic leadership and organizational performance. Since the study was carried in the banking sector which is profit making as compared to the current which was carried in National youth service which is a public entity. Further, the study has presented methodological gaps which are attributed to the choice of regression analysis in absence of diagnostic tests.

Sujith (2020) studied the impact of transactional leadership and organizational productivity in India. The study adopted descriptive research design and gathered primary data through administration of questionnaires. Descriptive statistics and regression analysis analyzed the data. Leadership style have no statistically significant effect on productivity in the organization. Further, there was no significant between leadership styles on productivity. The study has methodological gaps since despite of adopting parametric statistical approaches the study did not carry out normality tests prior to data analysis.

Zohra, Mukaram and Syed (2018) studied the impact of transactional leadership and transformational leadership on employee performance of fast-moving consumer goods in Pakistan. Descriptive research design was applied and primary data was collected through administration of 318 questionnaires. Descriptive statistics and bivariate statistics analyzed the data. Transactional leadership and transformational leadership positively impact on employee performance of fast-moving consumer goods in Pakistan. The study presents population and contextual gaps since the data was drawn from fast-moving consumer goods in Pakistan. Contextually the study drew data among profit making entities as compared to National Youth Service in Kenya.

Transactional Leadership, Organization Culture and Organization Performance

Kabiru and Bula (2020) studied the influence of transactional leadership style on employee performance of commercial banks in Kenya. Cross sectional research design was adopted and 151 questionnaires were administered. Univariate and multivariate statistics analyzed the data. Positive and statistically significant influence of transactional leadership on employee performance. Through transactional leadership employee motivation levels are improved through enhanced production and efficient team work. From the findings it can be deduced that bank management ought to engage in objective setting so as to discuss goals and target expected among different employees.

Asimwe, Kavoo-iinngge and Sikalieh (2016) studied the relationship between transactional leadership style and SMEs growth in Kenya among top 100 medium sized companies. Causal research design was adopted and primary data was collected through administration of 227

questionnaires. Data was analyzed through descriptive statistics and multiple regression analysis. It was found that there was a statistically positive significant relationship between transactional leadership and SMEs growth in Kenya among top 100 medium sized companies. It was concluded that the effectiveness of transactional leadership style is affected by nature of the enterprises and organizations should devise measures of employee development so as to enhance organization growth.

Ahmad and Ejaz (2019) studied the effect of transactional and transformational leadership and organizational performance of textile industries in Pakistan. Descriptive research design was applied and primary data was collected through issue of 140 questionnaires. Descriptive statistics and multivariate statistics analyzed the data. Results indicated that that transformational and transactional leadership style have statistically significant effect of organizational performance in textile industries in Pakistan. The study presented population and contextual gaps. Contextually the study was carried out in profit making entities as compared to NYS which is meant to achieve social economic objectives.

Marampa, Woeri and Irma (2019) studied the effect of organization culture on organization performance in multinationals. Cross sectional research design was applied and primary data sourced through administration of questionnaires. Univariate and multiple regression analysis was adopted for data analysis. Results of the study indicated that organization performance have statistically significant effect on organization performance.

Conceptual Framework

The study conceptualized that transaction leadership have effect organization performance. This effect was moderated by organizational culture. Transactional leadership was operationalized as reward/punish, leadership stakeholder relations, communication and job satisfaction. Organization culture was operationalized as clan, hierarchy, adhocracy and market. Organizational performance was operationalized as productivity, quality service, accountability and learning and growth perspective. The conceptualized relationship is as shown in Figure 1.

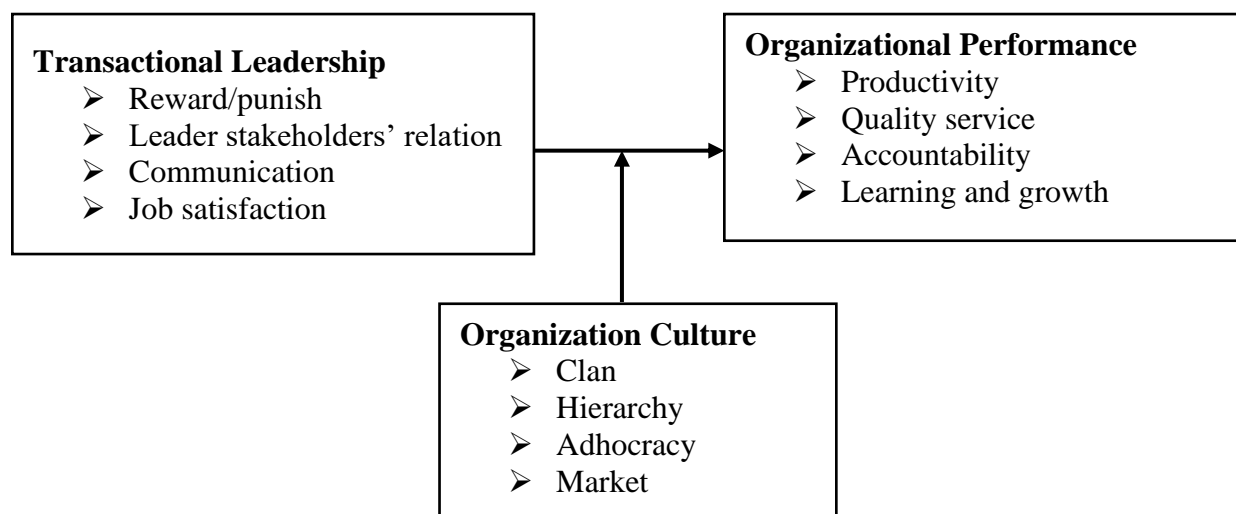


Figure 1 Conceptual Framework

Research Methodology

The study applied descriptive research design. Cooper and Schindler (2011) alluded that research design empowers a researcher in the most optimal approach to follow while addressing research

questions though constrained by available resources. Through, descriptive research design the researcher was able to adopt the most appropriate procedure for data collection, data analysis and presentation of the findings.

The target population for the study was 1181 employees who were working in Nakuru and Nairobi NYS operating offices. Since the population was finite Yamane sample size calculation was adopted

$$n = \frac{N}{1 + Ne^2}$$

Where:

n = is the desired sample size when the target population is > 1,000

N = Target population of the study

e = Appropriate significance level, for instance at 95%, the significance level is .05.

Using this procedure, the sample size arrived at is 299 derived as follows;

Sample Size (n) = $N/1 + (N (.05)^2) = 1181/ 1+(1181(.05)^2) = 299$. The sample was stratified into 146 in Nakuru County and 153 in Nairobi County as shown in Table 1

Table 1 Target Population and Sample

Category	Population	Percentage	Sample
Nakuru County	577	49	146
Nairobi County	604	51	153
Total	1181	100	299

The study was based on primary data that was sourced through administration of questionnaires. All items in the questionnaire were in five-point Likert scale that ranged from strongly agree to strongly disagree. Collected data was cleaned, coded and entered into Statistical Packages for Social Scientists (SPSS, 25). Quantitative data was analyzed through descriptive measures that included mean, standard deviation and coefficient of variations. Further, product moment correlation coefficient was applied to examine the strength of the effect of transactional leadership style on organizational performance. Simple linear regression examined the nature of the effect of transactional leadership style on organizational performance. The model of the study was of the form:

$$Y = \alpha + \beta_1 X_1 + \varepsilon$$

Where Y= Organizational Performance; X_1 = Transactional leadership, α = Y intercept, the value of organizational performance when transactional leadership style is zero. β = Slope coefficient that indicates change in organizational performance per unit change in transactional leadership style. ε = Error term that depict other attributes that has effect on organizational performance though excluded in the model.

To examine moderating effect of organization culture, partial derivative with respect to transactional leadership was carried out and marginal change in slope coefficient was compared with the original coefficient.

$$Y = \alpha + \beta_1 X_1 + \beta_2 Z + Z \beta_3 X_1 + \varepsilon$$

Where Z= Organizational culture.

$$\frac{\partial \text{Organizational Performance}}{\partial \text{Transactional Leadership}} = \beta_1 + \beta_3 X_1$$

Findings and Discussions

The first objective of the study examined the influence of transactional leadership on organizational performance of National Youth Service in Kenya. To achieve this the respondents were requested to indicate their levels of agreement on five-point Likert scale ranging from strongly agree to strongly disagree. Frequencies and percentages were applied for data analysis as shown in Table 2. Majority 39.6% strongly agreed and 31.9% agreed that leaders in NYS rewards jobs and tasks accomplished. 43.5% strongly agreed and 2.5% strongly disagreed that NYS top managers-junior staff relations are positive. Thus, there were notable positive relations in different levels of NYS management. This culture ought to be entrenched fully so as to optimize employees performance. 43.5% strongly agreed and 9.1% disagreed that NYS leaders value employee irrespective of gender. This is commendable since there are lower odds of gender discrimination an aspect that may nurture employee's cohesiveness. 44.2% strongly agreed and 3.5% strongly disagreed that NYS leaders' direct employees to active job satisfaction. Thus, there is need for development of strategies that would create working environment that enhances stimulation of satisfiers. It was notable that there were minimal instances of employee's micromanagement since 40% strongly agreed that NYS leaders never interfered with employee's job performance. Moreover, there were clear communication platforms as indicated by 44.2% who strongly agreed and 6.3% who strongly disagreed that NYS has a well-developed communication plan. In addition, 40% strongly agreed and 11.2% disagreed that NYS leaders ensure employees find fulfilment in their jobs.

Table 2 Descriptive Statistics on Transactional Leadership

	N=285				
	SA	A	N	D	SD
leaders in NYS reward jobs and takes accomplished	39.6	31.9	15.1	8.1	5.3
NYS top managers-junior staff relations are positive	43.5	29.8	15.1	9.1	2.5
NYS leaders value every employee irrespective of gender	43.5	28.4	16.5	9.1	2.5
NYS leaders' direct employees to achieve job satisfaction	44.2	23.2	19.6	9.5	3.5
NYS leaders never interfere with employee job performance	40	28.4	16.8	9.1	5.6
NYS has a well-developed communication plan	44.2	25.6	14	9.8	6.3
NYS leaders ensure employees find fulfilment in their jobs	40	28.1	15.1	11.2	5.6

Examination on the effect of organizational culture on organizational performance was evaluated in five-point likert scale from strongly agree to strongly disagree. Results in Table 3 indicates that majority mean= 1.8 agreed that NYS leaders adhere to formal authority systems, NYS leadership upholds collegial relations, NYS leadership values transparency in the service and NYS leadership value team work. Further, majority mean = 1.7 agreed that NYS values ethical behaviour at work, there is a clearly stated pattern of communication in NYS and communication in NYS is two ways from top down and bottom up. In overall majority agreed that organization culture has effect on organization performance in NYS (mean =1.8).

Table 3 Descriptive Statistics on Organizational Culture

	N=285					Mea n	Std. Dev
	SA	A	N	D	S D		
NYS leaders adhere to formal authority systems	47.7	30.9	14.7	5.3	1.4	1.8	1.0
NYS leadership upholds collegial relations	46.6	32.1	15.2	4.1	2.1	1.8	1.0
NYS leadership values transparency in the service	49.5	32.6	10.2	4.2	3.5	1.8	1.0
NYS leaders value teamwork to deliver results	44.2	37.9	11.4	4.1	1.8	1.8	0.9
NYS values ethical behaviour at work	52.6	35.4	7.4	3.2	4.1	1.7	0.9
There is a clearly stated patterns of communication at NYS	54.6	31.7	7.9	3.5	3.1	1.7	1.0
Communication at NYS is normally two way top-down	53.5	33.3	7.5	3.1	4.1	1.7	0.9
Overall average						1.8	1.0

Examination of organizational performance indicate that majority 50.5% agreed that NYS complies with set budgets. 43.5% strongly agreed that NYS has mechanisms to achieve cost reductions/savings an aspect that may enhance its productivity. 38.2% strongly agreed that NYS generate miscellaneous income to supplement budget and 42.8% strongly agreed that they manage their acquired asset well and updates their records fully. 43.9% strongly agreed that they have implemented gender mainstreaming while 42.8% had implemented disability mainstreaming. 43.5% strongly agreed that they either completed their projects on time or they undertake projects which are relevant to their needs. 46% strongly agreed that in NYS projects are undertaken with cost efficiency as the main consideration. 45.6% strongly agreed that NYS employees are happy and satisfied and 46.7% reported presence of work place safety measures in their work place. 43.5% strongly agreed that research and development policy is prioritized in their work place.

Table 4 Descriptive Statistics on Organizational Performance

	N=285				
	SA	A	N	D	SD
NYS expenditure complies with set budgets	50.5	29.1	15.4	3.9	1.1
NYS has mechanisms to achieve cost reduction/savings	43.5	37.9	11.6	5.3	1.8
NYS generates miscellaneous income to supplement budget	38.2	44.2	11.6	4.6	1.4
NYS manages assets acquired well and updates records fully	42.8	34.7	14.4	7	1.1
NYS has implemented gender mainstreaming	43.9	38.6	14.7	1.8	1.1
NYS has implemented disability mainstreaming	42.8	38.9	11.2	6.3	0.7
NYS projects are completed on time	43.5	36.5	14	5.3	0.7
NYS projects undertaken are always relevant to needs	43.5	37.5	12.3	4.9	1.8
Employee work environment at NYS is conducive to all	40.4	37.9	17.9	2.8	1.1
NYS employees are happy and satisfied	45.6	35.8	13	4.6	1.1
NYS has safety measures in work place for all employees	46.7	35.4	12.6	3.5	1.8
At NYS research and development is given first policy	43.5	35.8	14	4.9	1.8
At NYS any employee willing to do research is fully funded	38.2	37.9	13	7	3.9

Product moment correlation analysis in Table 5 depicts that there was a positive and statistically significant effect of transactional leadership style on performance of NYS in Kenya ($\rho = 0.284$, p value < 0.05). Secondly, there was a positive and statistically significant effect of organizational culture on performance of NYS in Kenya ($\rho = 0.516$, p value < 0.05). Further, there was no multicollinearity since organizational culture and transactional leadership style had weak and statistically significant effect ($\rho = 0.335$, p value < 0.05). Otherwise, multicollinearity would have been an issue if they had correlation coefficient of at least 0.8.

Table 5 Correlation Analysis

		Performance of NYS	Transactional leadership style	Organizational culture
Performance of NYS	Pearson Correlation	1		
	N	285		
Transactional leadership style	Pearson Correlation	.284**	1	
	Sig. (2- tailed)	0.00		
	N	285	285	285
Organizational culture	Pearson Correlation	.516**	.335**	1
	Sig. (2- tailed)	0.00	0.00	
	N	285	285	285

** Correlation is significant at the 0.01 level (2-tailed).

Simple regression analysis results in Table 6 have an R squared of 0.39, this depicts that 39% of changes in organizational performance in National Youth Service (NYS) was accounted for by transactional leadership style while the remaining percentage is associated with other aspects excluded in the model. Analysis of variance has an F statistic of 177.87 with a p value < 0.05 . This indicates that there was a statistically significant effect of transactional leadership style on organizational performance of NYS in Kenya. Further, there was a positive statistically significant effect of transactional leadership style on organizational performance of NYS in Kenya ($\beta = 0.56$, p value < 0.05). This indicates that a unit increase in transactional leadership style increases organizational performance of NYS by 0.56 units. The resultant equation of the study was:

Organizational performance = $0.02 + 0.56 \times$ Transactional leadership style.

Multiple regression analysis results in Table 6 have an R squared of 0.59, this depicts that 59% of changes in organizational performance of National Youth Service (NYS) was accounted for by transactional leadership style, organizational culture and transactional leadership style *organizational culture while the remaining percentage is associated with other aspects excluded in the model. Analysis of variance has an F statistic of 132.306 with a p value < 0.05 . This indicates that there was a statistically significant effect of transactional leadership style, organizational culture and transactional leadership style *organizational culture on organizational performance of NYS in Kenya. Further, there was a positive statistically significant effect of transactional leadership style on organizational performance of NYS in Kenya ($\beta = 0.33$, p value < 0.05). This indicates that a unit increase in transactional leadership style increases organizational performance of NYS by 0.33 units, while holding constant organizational culture and transactional leadership style *organizational culture. Secondly, there was a positive statistically significant effect of

organizational culture on organizational performance ($\beta = 0.31$, p value < 0.05). This indicates that a unit increase in organizational culture increases organizational performance of NYS by 0.31 units, while holding constant transactional leadership style and transactional leadership style *organizational culture. Moreover, organizational culture has positive statistically significant moderating effect on transactional leadership style ($\beta = 0.36$, p value < 0.05). The resultant equation of the study was:

Organizational performance = $-0.05 + 0.33 * \text{Transactional leadership style} + 0.31 * \text{Organizational culture} + 0.36 * \text{Transactional leadership style} * \text{Organizational culture}$.

Partial differential in respect to transactional leadership styles and incorporation of average values for organization culture as follows.

$$\frac{\partial \text{Orgaizational performance}}{\partial \text{Transactional Leadership}} = \beta_1 + \beta_3 Z = 0.33 + 0.36 * 1.8 = 0.978.$$

Comparative analysis between moderated and non-moderated slope coefficients for transactional leadership style indicates that organizational culture has moderating effect on transactional leadership style (Organizational performance = $0.02 + 0.56 * \text{Transactional leadership style}$. Since the marginal contribution is 0.978 compared to non-moderated coefficient of 0.56 then organizational culture has moderating effect on the influence of transactional leadership style on organizational performance in NYS in Kenya.

Table 6 Regression Analysis on Transaction Leadership, Organization Structure and Organizational Performance

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.621a	0.39	0.38	0.82
2	.765b	0.59	0.58	0.68

a Predictors: (Constant), Transactional leadership style
b Predictors: (Constant), Transactional leadership style, X1*Z, Organizational culture

ANOVA						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	120.81	1	120.81	177.87	.000b
	Residual	192.22	283	0.68		
	Total	313.03	284			
2	Regression	183.28	3	61.09	132.306	.000c
	Residual	129.75	281	0.46		
	Total	313.03	284			

a Dependent Variable: Performance of NYS
b Predictors: (Constant), Transactional leadership style
c Predictors: (Constant), Transactional leadership style, X1*Z, Organizational culture

Model		Coefficients			t	Sig.
		Unstandardized		Standardized		
		Coefficients	Std. Error	Coefficients		
	B		Beta			
1	(Constant)	0.02	0.05		0.48	0.63
	Transactional leadership style	0.56	0.04	0.62	13.34	0.00
2	(Constant)	-0.05	0.04		-1.29	0.20
	Transactional leadership style	0.33	0.04	0.36	7.80	0.00
	Organizational culture	0.31	0.05	0.31	6.73	0.00
	X1*Z	0.36	0.04	0.34	8.58	0.00

Conclusions and Recommendations

The study revealed that there was a positive and significant relationship between transactional leadership style and organizational performance of National Youth Service in Kenya. Hence, it can be concluded that an increase in transactional leadership style positively affects organizational performance of NYS. Secondly, the study revealed that there was a positive and significant relationship between the moderating influence of organizational culture on the relationship between leadership styles and the organizational performance of National Youth Service in Kenya.

The study recommends that the leadership of NYS should integrate individual, organizational, social, and environmental developments to create sustainable leadership. There is need for all employees to participate in leadership. This can be achieved by embracing thought liberation in the Service. Thought liberation is about a realization that an individual employee is an intelligent and effective being capable of providing progressive thought, actions and achievements. The Service though a paramilitary set up, should reduce over relying on Commanding Officers. Thus, create a new impetus for all employees to feel valued and participate in governance matters. This will create a paradigm shift from government to governance.

The study recommends that policy makers in disciplined Services in Kenya should embrace stakeholder practice such as social justice goals of community empowerment and change and endorse leadership processes that can be described as collaborative, value based, identity offering, ethical, inclusive and socially responsible. In contemporary leadership, infusion of diversity is key.

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