



**LEADERSHIP STYLES AND PERFORMANCE OF SOLAR COMPANIES IN
NAIROBI COUNTY, KENYA**

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ABSTRACT

The main objective of the study was to establish the influence of leadership styles and performance of solar companies in Nairobi County. The study was guided by specific objectives; Transformational leadership and Transactional leadership on performance of solar companies in Nairobi County. The study was based on Transformational theories and trait behavioral theory. The study adopted a descriptive research design and target 35 solar companies in Nairobi County. The study used a structured questionnaire to collect primary data and the Statistical Package for Social Sciences version 26 was used to analyze data. Inferential statistics will be used to establish the relationships that existed between the variables. The correlation coefficient was used to measure the relationship between independent variables and the dependent variable while the regression analysis was used to measure the strength between the independent and dependent variables. Data was presented in the form of tables, graphs, and charts. A pilot study was carried out using 10% of the population to determine the validity and reliability of research instruments. Descriptive results showed a strong and positive relationship between leadership styles and solar companies. The correlation analysis showed that there exists a positive significant correlation between the independent variables of the study and the performance of solar companies in Nairobi County, Inferential analysis showed a statistically significant relationship between leadership styles and the performance of solar companies. The ANOVA test showed that the F-calculated 21.56 was greater than the F-critical 4,142, hence a linear relationship between the leadership styles and performance of solar companies in Kenya. Based on the R-squared, the model can explain 77.4% of the changes in the dependent variable. Regression results showed that a unit increase in any leadership style will lead to an increase in performance. t-statistics showed that transformational leadership had the most influence on the performance of solar companies. The research concluded that transformational and transactional leadership positively and significantly affect the performance of solar companies. The study recommends improving transformational leadership through inspiration, intellectual stimulation, individualized consideration, and idealized influence.

Key Words: Leadership Styles, Performance of Solar Companies, Transformational Leadership Transactional Leadership

Background of the Study

The potential for solar energy to be harnessed as solar power is enormous, since about 200,000 times the world's total daily electric-generating capacity is received by Earth every day in the form of solar energy. Unfortunately, though solar energy itself is free, the high cost of its collection, conversion, and storage still limits its exploitation in many places. Solar radiation can be converted either into thermal energy (heat) or into electrical energy, though the former is easier to accomplish. Solar energy has long been used directly as a source of thermal energy. Beginning in the 20th century, technological advances have increased the number of uses and applications of the Sun's thermal energy and opened the doors for the generation of solar power. (Ashok, 2024). Solar Energy is radiant light and heat from the sun harnessed using different forms of technologies such as solar photovoltaic, solar thermal energy, solar heating and solar architecture.

Leadership style is viewed as a combination of different characteristics, traits and behaviors that are used by leaders for interacting with style and organizational performance. There are several types of leadership styles such as transformational leadership. (Mitonga-Monga & Coetzee, 2012). Mitonga Monga and Coetzee (2012) consider leadership as the pattern associated with managerial behavior, which is designed to integrate the organizational or personal interests and effects for achieving particular objectives. Leadership is a continuous process of impacting others positively towards becoming aware of their full capabilities in attaining a value-added, common vision, with zeal and uprightness. The stated impact ensures full, voluntary, and mutual action by all team members in an attempt to reach the predetermined organizational goals, set for each member, and also for the group. The coordination existing between the leader and team members, as well as the professionalism of members' effectiveness, are largely affected by the leadership style utilized by the leader (Chege and Gakobu, 2017). Leadership style in a firm is one of the major agents that play a significant role in improving or worsening the attention and involvement of employees in the firm (Obiwuru et al., 2011). What strategic leadership does is that it involves taking a series of strategic decisions contrary to day-to-day imperatives that are aimed at taking the organization to a place where growth and development meet (Banda, 2022). The path to strategic leadership resembles the building of a pyramid where he remarked that shortcuts do not exist, and one can't start at the top. Banda (2022) further advises that strategic leaders gradually build wisdom, defined as acquiring experiences over time.

Statement of the Problem

The Kenya Vision 2030 aims to transform Kenya into a newly industrializing, middle-income country providing a high quality of life to all its citizens by 2030 in a clean and secure environment. Solar power is expected to be a major contributor in this transition. Moreover, Kenya's Sustainable Development Goals (SDGs) SDG 7 which is related to affordable and clean energy also promotes solar power uptake. Despite the significance of solar power, the solar power uptake is still low as reported by KIPPRA. According to KIPPRA, solar power accounted for 1% of the 89% of electricity generated from renewable sources in Kenya. Showing a lower uptake by solar manufacturing firms. (KIPPRA, 2022) All these factors impair the performance of solar companies. Similarly, according to the kippra report on the use of solar energy, it is reported that Inefficient use of solar energy within firms leads to a wastage of between 10-30% since the products tend to be expensive therefore, Kenya is 13% disadvantaged when compared with other countries. Solargen (2022), states that there is a general lack of awareness, about the available solar options and their benefits. Increasing awareness will enable people to understand and make informed decisions. For any business to operate successfully, the business must establish a match between its operations and the environment where it is operating. (Ngamau, 2016).

Previous research has shown that Strategic leadership if well instituted by the top leadership can potentially enable organizations to successfully build strategic competitiveness and above-

average returns (Ng'ang'a, 2018). The application of ethical leadership positively influenced employee innovation and creativity, which also positively influenced employee commitment and ethical decision-making and thus impacted employee job satisfaction, which improved job performance through leader role modeling and empowerment (Vito & Sethi, 2020). Chepkurgat (2019) concluded that leadership styles specifically transformational leadership had a more positive effect on the performance of chartered universities in Kenya. She further stated that the intellectual stimulation element of transformational leadership was a significant positive predictor of organizational performance. Jaleha & Machuki (2018) argued that strategic leadership had a substantial impact on performance further stating that Strategic leadership plays a major role in determining performance by enabling their organizations cope with their external environment. It is in this light that this study aims to establish how strategic leadership styles can be used to attain superior performance in solar companies in Nairobi.

General Objective

The general objective of the study were to establish the influence of leadership styles and performance of solar companies in Nairobi County, Kenya

Specific Objectives

- i. To determine the influence of transformational leadership and performance of solar companies in Nairobi County, Kenya
- ii. To assess the influence of transactional leadership and performance of solar companies in Nairobi County, Kenya

LITERATURE REVIEW

Theoretical Framework

Situational Contingency Theory

The very first contingency theory was developed by Austrian psychologist Fred E. Fiedler in the 1960s. Fiedler's model continues to be one of the leading contingency leadership theories. The contingency theory of leadership focuses on how specific situations affect a leader's effectiveness and how a leader's ability to adapt can be their most important tool in the workplace. The contingency theory of leadership supposes that a leader's effectiveness is contingent on whether or not their leadership style suits a particular situation. According to this theory, an individual can be an effective leader in one circumstance and an ineffective leader in another one. To maximize your likelihood of being a productive leader, this theory posits that you should be able to examine each situation and decide if your leadership style is going to be effective or not. In most cases, this requires you to be self-aware, objective and adaptable. (Miles 2022) The contingency theory of leadership states that effective leadership is contingent upon the situation at hand. Essentially, it depends on whether an individual's leadership style befits the situation.

According to this theory, someone can be an effective leader in one circumstance and an ineffective leader in another. This theory ignores the false dichotomy that someone is either a good or bad leader. Instead, it focuses on matching the right leadership traits to the situation. This theory of leadership accommodates the reality that success in an undertaking is often a combination of the attributes of the leader and the attributes of the challenge. "Good leadership" is contingent upon how one responds to the situation. Firstly, the contingency theory of leadership focuses on leadership styles. To apply this theory or any of its models, leaders must be aware of their leadership style as well as their strengths and weaknesses. This requires honesty, self-reflection, and vulnerability for a person to identify how they're showing up as a leader. In this theory, the effectiveness of leadership is determined by the interface between the leader's personality and the characteristics of the prevailing situation. Cheng and Chan (2002) posit that contingency is pegged on the supposition that the connection between organizational outcomes and leadership style is regulated by situational factors connected to the prevailing

environment; hence the organizational outcome or results can never be simply predicted by the applied leadership style, except when variables of the situational are well-known. A triple of models is seen in this approach to leadership; situational leadership theory by Hersey and Blanchard (1969); co-worker theory by Fiedler's (1967) and lastly the path-goal theory by House's (1971). Borrowing from this leadership approach and the illustrated triple models, inference can be made that there is no one leadership style that favors in all the situations. Success is dependent on various variables, which includes the preferred style of a given leader, the behaviors and competence of the followers, and lastly the situation aspects. To situational factors, effectual leadership demands that individual's leadership style is adapted, additionally; control in this context is contingent on a triple of factors which are the leaders' position, power or authority, the extent of the task structure and lastly the relationship between the followers and their leader. (Otieno and Njoroge, 2019)

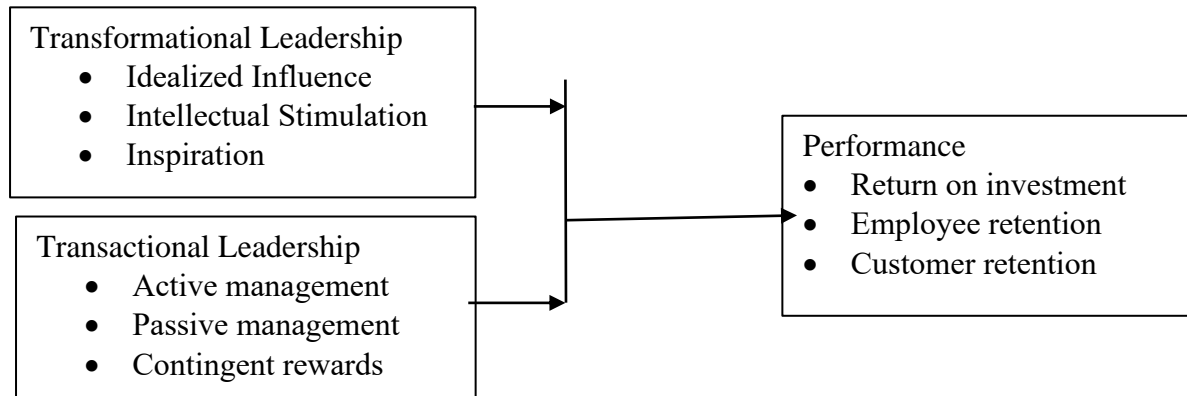
Transformational Theory

Bass (1985) viewed transformational leadership as how the followers are affected by their leaders, who they expected to trust, admire and respect their leader. He argued out that a transformational leader needs other attributes other than charisma in order to influence people. According to Bass and Riggio (2006), real transformational leadership is anchored in moral foundations that are based on four variables: Idealized influence; Inspirational motivation; Intellectual stimulation; and Individualized consideration. The three moral aspects include: the moral character of the leader; the ethical values embedded in the leader's vision, articulation, and program; and the morality of the processes of social ethical choice and action (Bass & Steidlmeier, 1998). Bass made the assumption that when people appreciated the importance of certain task of the organization they get motivated as they see the bigger picture that is the quality work. Transformational leaders are often highly visible and known for their passion and energy in all aspects of their work. They spend most of their time communicating with others and looking for initiatives that add value to their teams' future. Transformational leaders motivate and empower their followers, often transcending short-term goals by focusing on higher order intrinsic needs (Meyer & Allen, 1997).

Munga (2021) argues that the shortcoming of this theory is that intellectual stimulation by leaders can encourage subordinates to criticize one another. Leaders may focus on their needs without blaming the whole problem affecting the organization. It is not hesitated by discarding leadership styles when it becomes ineffective to improve performance. It is relevance to explain leadership styles on organizational performance. The theory is relevant to the study in that it will enable explanation of transformation leadership styles and describe how it will enhance organizational performance.

Conceptual framework

A concept refers to an abstract or general idea inferred or derived from a specific instance. (Kombo and Tromp 2009). A conceptual framework is an analytical tool with several variations and contexts accompanied by a visual depiction of the major variables of the study. It is a visual representation in research that helps to illustrate the expected relationship between cause and effect. (Mulder 2017) It shows the relationship between the independent variable and the dependent variable. Independent variables. Kothari (2004) defines an independent variable as a presumed cause of the changes of the dependent variable while a dependent variable is a variable that the researcher intends to explain. The conceptual framework below illustrates the relationship between the independent variables which are;

Independent Variables**Dependent Variables.****Transformational Leadership**

Transformational leadership is typically defined as a power and influence theory where the leader acts in ways that influence and appeal to followers' higher order needs, inspiring and motivating them to move towards a particular purpose (Chepkurgat, et,al,2019). According to Owuor (2018) transformational leadership style focuses on the development of followers and their needs. Managers exercising transformational leadership style focus on the development of value system of employees, their motivational level and moralities with the development of their skills. Transformational leadership acts as a bridge between leaders and followers to develop clear understanding of follower's interests, values and motivational level. It basically helps follower's achieve their goals working in the organizational setting; it encourages followers to be expressive and adaptive to new and improved practices and changes in the environment. The first dimension is inspirational motivation. It is the degree to which the leader articulates a vision that is appealing and inspiring to followers. Charismatic leaders use inspirational appeals and emotional talks to arouse follower motivation for the organization's good. The second dimension is intellectual stimulation, which is concerned with the role of leaders in stimulating innovation and creativity in the followers by questioning assumptions and approaching old situations in new ways (Omollo, 2016). The third dimension used in the study is idealized influence. It concerns the formulation and articulation of the vision, challenging goals, and motivating followers to work beyond their self-interest to achieve common goals. This is about the leader having a clear set of values and demonstrating them in every action, providing a role model for their followers. Genuine trust grows between leaders and followers.

Transactional Leadership

Transactional leadership style is defined as the exchange of rewards and targets between employees and management. The wheeler-dealers of leadership styles, transactional leaders are always willing to give you something in return for following them. It can be any number of things including a good performance review, a raise, a promotion, new responsibilities, or a desired change in duties performance (Longe, 2014). This approach to leadership, also sometimes referred to as managerial leadership, emphasizes the importance of structure, organization, supervision, performance, and outcomes (Kendra Cherry, 2022). A transactional leader values order and systems. They set targets for employees and outline the rewards and penalties associated with meeting or not meeting those targets. This rigid style of leadership encourages high compliance within teams while suppressing creativity and ingenuity, but the strong emphasis on procedure allows for an extreme degree of control over processes and leads to predictable, reliable outputs (Neba et, al. 2024). The problem with transactional leaders is expectations. In practice, transactional leadership is seen as a useful strategic dimension centered on leader-follower exchanges that affect organizational performance. Contingent reward is the first dimension which refers to leaders clarifying the work that must be achieved and using reward in exchange for good performance (Wakhisi 2021). Similarly, Active

management by exception refers to leaders actively monitoring the work of followers and making sure that standards are met. Passive management by exception which is the third dimension refers to leaders intervening only when problems arise. It describes a leader who waits until behavior has created problems before taking action.

Organization Performance

The correlation between leadership style and organizational performance has been widely discussed. The majority of research indicated that leadership style has a significant relationship with organizational performance. Different leadership styles may have a positive impact. Positive or negative association with organizational performance depends on the variables utilized by researchers. Effective leadership style is seen as a potent source of management development and sustained competitive advantage, leadership style helps organizations to achieve their current objectives more efficiently by linking job performance to valued rewards and by ensuring that employees have the resources needed to get the job done. Organizational performance comprises the results of an organization or the actual outputs of an organization, which can be measured against intended outputs, goals, and objectives. Organizational performance involves three areas associated with the organization's financial performance measures such as return on investments, profits, etc, people performance such as employee retention and employee satisfaction, the product/service market performance market share, sales, etc. There is a considerable impact of the leadership styles on organizational performance. The leadership style influences the culture of the organization which, in turn, influences the organizational performance.

Empirical Review

An empirical review is a review of multiple aspects of a research project that are relevant to the current study. An empirical literature review is the process of evaluating prior empirical studies to figure out a specific research topic. (Punchbag,2022)

Transformational Leadership and Performance

Chepkurgat et al (2019) sought to establish the link between strategic leadership and organizational performance in Kenyan chartered universities. The study adopted a descriptive cross-sectional research design. The research found that VCs were more likely to use transformational leadership styles than DVCs. Organizational performance was also found to be higher among newly appointed VCs and DVCs but it declined as one stayed longer in their management position. Transformational leadership style had a significant positive effect on performance while transactional leadership had a negative effect on performance. Further regression analysis showed that transformational leadership, intellectual stimulation was the only significant positive predictor of organizational performance. Thus implying that transformational leadership is more effective in the university management than transactional leadership. Thus, university management should aim at improving on their ability to deploy this kind of style to achieve better results.

Owuor, (2018) examined the effect of transformational leadership on organizational performance, a case study of Kenya Breweries Limited in Nairobi Kenya. The study adopted descriptive research design, Stratified random sampling was used to arrive at a sample of 60 staff. The research concluded that all the four element of transformational leadership, Inspirational motivation, idealized influence, Intellectual stimulation and Individualized considerations affect the overall performance of the organization. The study recommends that the policy makers should put up systems for training transformational leaders. Transformational leaders exhibit the four characteristics of idealized influence, inspiration motivation, intellectual stimulation and individualized consideration. Where Idealized Influence refers to the ability of leaders to be viewed as role models by their followers thereby creating transformation in their teams, Inspirational Motivation refers to the capability of any leader to motivate instills confidence and a sense of purpose among his/her followers,

Intellectual Stimulation on the other hand is the ability of a leader to champion for innovation and creativity among his/her followers towards different challenges they encounter. (Owuor, 2018)

Pearce and Robinson (2017), examined the influence of transformation leadership strategy on organization performance in unite states of America Irwin corporations. The study adopted explanatory research design. Factor analysis was used to analyze data. The study findings showed that transformational leadership is comprised of individualized considerations, inspirational motivation, idealized influence and intellectual stimulations. It implemented by creating supportive environment where employee shares responsibility, encouraging action that supports organization interest, breaking through status quo to everyone to have freedom in setting strategic changing directions, and earning genuine employee trust with respect to admiration from leadership.

Omollo (2016), examined the role of transformational leaders in implementing strategy formulation in Geothermal Company in Kenya. The study used descriptive survey design and census of 43 employees working in Geothermal Company. Descriptive statistical methods and inferential statistical methods were done through use of correlation analysis. The study established that there is a relationship between transformational leaders and implementation of strategy formulation. Transformational leaders focus on critical organizational resources assurance to sustain organization performance. This is about gaining skills of managing social capital and ability to improve organization performance. Transformational leaders seek to change existing techniques, thoughts, and goals to achieve better results. Therefore, transformational leaders have the ability and power to manage the organization's critical resources to achieve sustainable competitive advantage in the marketplace. Effective strategic leaders view staff as a resource to be maximized not as a cost to be minimized. Such leaders develop and use programs designed to train current and future leaders to build the skills needed to nurture the rest of the firm.

Transactional Leadership and Performance

A leader is known as a transactional leader if he/she is always willing to give something in return (Uchenwamgbe, 2013). This can include several things like promotions, pay raises, performance reviews, new responsibilities etc. The major problem with this type of leadership is the expectation. Hence, transactional leadership can be defined as the exchange of targets and rewards between the management and the employees (Ojokuku, et al., 2012). The study by Longe (2014) revealed that transactional leadership style has a positive impact on the organizational performance. The transactional leadership style helps in creating as well as sustaining the context in which organizational and human capabilities are maximized as the employees are always able to achieve tangible and intangible rewards. This leadership style particularly helps in creating an environment that is optimal for performance and also articulates the compelling vision that enhances the overall organizational performance (Longe, 2014). According to the research conducted by Sofi and Devanadhen (2015), transactional leadership was not found to have a direct impact on the performance of the organization. This leadership style does not encourage creativity and innovation among the employees and hence, the employees do not perform as per the expectations of the organization.

Malcalm and Tamatey (2017) examined in the Ghanaian Public Sector, leadership style effects on employee performance. In their study, they used mixed method approach with descriptive linear regression method in determining leadership styles effect on employee performance. They considered three styles of leadership which include; laissez faire, transformational and transactional with effect to employee performance of organizational citizenship behavior (OCB) and In-Role Performance (IRP). 921 staffs were the research population representing the entire fraternity of the Ghana Atomic Energy Commission (GAEC). Purposive and simple random sampling techniques were employed in the study. Three distinctive questionnaires were employed to gather data on leadership style and employee performance both quantitatively and

qualitatively. SPSS software was used to calculate simple linear regressions to test the hypothesis. The results from their analysis show that all the leadership styles do not have any effect on employee performance. However, the leaders were found to be exhibiting a mixture of transformational and transactional leadership attributes.

Nthini & Obonyo,(2013) carried out a study that aimed at establishing the effect of strategic leadership on performance of commercial and financial State Corporations in Kenya. The study employed Descriptive survey design. The target population consisted of all the forty eight (48) commercial and financial SCs in Kenya. Respondents were persons in charge of strategy or human resource department. Semi-structured questionnaire was used to collect primary data. The analysis of strategic leadership in commercial and financial state corporations showed that, in positive organizational culture, core values, symbols and ideologies are shared. Correlation study revealed a favorable association between strategic leadership practices and organizational performance, indicating a high level of customer satisfaction. Wakhisi (2021) conducted a study whose primary goal was to analyze the impact of strategic leadership on the performance of state-owned sugar production companies in Western Kenya. Specifically, the study sought to analyze the impact of strategic direction setting, core competence exploitation, organizational culture building, and organizational controls on the performance of state-owned sugar production enterprises in Western Kenya. Survey Research design was adopted for the study and the target population was 917 employees from Chemelil, South Nyanza, Muhoroni, and Nzoia sugar companies. The study established a statistically significant correlation between strategic leadership and organization performance of state-owned sugar manufacturing firms in Western Kenya.

RESEARCH METHODOLOGY

The study adopted a descriptive research design. The target population for the study was 35 solar companies in Nairobi. The respondents were obtained from two tier management levels, the managers and departmental supervisors

Table 3.1 Target population

Departments	Target population	Sample size
Hr and Admin	70	38
Sales and Marketing	70	38
Procurement	70	38
Finance	70	38
Operations	70	38
	350	190

The Yamane formula is a statistical technique for determining sample size for a survey or research study. Therefore, the sample size required for a target population of 350 respondents assuming a margin of error of 0.05, is approximately 190 respondents. This study used primary data, with the primary using questionnaires, which are research instruments that may be used to ask a large group of questions at the same time. The questionnaire included both closed and open-ended questions. The questionnaire was divided into two parts where the first part collects demographic information and the second part collects information regarding the variables of the study.

Quantitative data was analyzed using descriptive and inferential analysis techniques assisted by Statistical Packages for Social Sciences Version 29. The demographic information was

analyzed using frequencies and percentages. The mean and standard deviation were used to evaluate interval data from Likert scale questions. Descriptive analysis encompassed median scores, percentages, standard deviations, frequencies, and mean while inferential statistics incorporated correlation and multiple regression analysis to assist in the estimation of the level of relationship between the variables. Presentation of the already analyzed data was done using tables, charts, and other info-graphics considered appropriate for the study.

RESEARCH FINDINGS AND DISCUSSION

For the final study, 171 questionnaires were used to collect data. Of those, 147 were filled out and returned, yielding an 87.5% response rate. Mugenda and Mugenda (2018) recommended that a 50% response rate is enough to produce viable results, 60% is good, and 70% and above is a very good response rate, so 87.5% was excellent for analysis and producing credible data for the study.

Descriptive Statistics of Study Variable

To explain the distribution of measures of questions addressing each variable, the researcher utilized descriptive statistics in the study. The study's descriptive statistics were means and standard deviations. The researcher first formulated the items addressing each variable in the questionnaire and requested that respondents rate the statements on a scale of 1 to 5, denoting within a range of Strongly Disagree (SD) to Strongly Agree (SA). The researcher then calculated each statement's mean response and standard deviation. The overall level of agreement with all variables was the calculated by averaging the averages and standard deviations.

Transformational leadership

The first objective of the study was to establish the influence of Transformational leadership on the performance of solar companies in Nairobi City County. The respondents were presented with 5 items. A Likert scale was used where the responses were coded as follows: 1=Strongly Disagree, 2= Disagree, 3= Neutral, 4= Agree, 5 = Strongly Agree.

Table 4.1 Descriptive statistics on transformational leadership

Item	Mean	SD
Employees are allowed to reinvent solutions to old problems	4.44	0.138
The way the manager conducts himself/herself gives employees the confidence to face risks ahead	4.05	0.329
All employees are empowered to attain business goals	4.11	0.218
Managers elevate the interests of subordinates to tackle problems together more effectively	3.99	0.646
Managers stimulate subordinates to look beyond their interests to what best benefits the organization	4.15	0.206
Average	4.15	0.307

The descriptive results on transformational leadership show that respondents agreed with the statements that Employees are allowed to reinvent solutions to old problems(mean=4.44; SD =.138), that the way the manager conducts themselves gives employees the confidence to face risks ahead(mean=4.05; SD =.329), that all employees are empowered to attain business goals(mean=4.11; SD =.218), that managers elevate the interests of subordinates to tackle problems together more effectively (mean=3.99; SD =.646), and that managers stimulate subordinates to look beyond their interests to what best benefits the organization(mean=4.15; SD =.206). All respondents on average agreed with the statements on transformational leadership as shown by the average response mean of 4.15 and a standard deviation of 0.307.

The findings of the study are in agreement with the findings of Chepkurgat et al (2019) whose study found that transformational leadership and intellectual stimulation were the only significant positive predictors of organizational performance. This implies that

transformational leadership is more effective in university management than transactional leadership similarly, Owuor, (2018) found that transformational leaders exhibit the four characteristics of idealized influence, inspiration motivation, intellectual stimulation, and individualized consideration.

Transactional Leadership

The second objective of the study was to establish the influence of Transactional leadership on the performance of solar companies in Nairobi City County. The respondents were presented with 5 items. A Likert scale was used where the responses were coded as follows: 1= Strongly Disagree, 2= Disagree, 3= Neutral, 4= Agree, 5 = Strongly Agree.

Table 4.2 Descriptive statistics on transactional leadership

Transactional Leadership		
The reward system is helpful for the employees to keep them satisfied.	3.69	0.914
Reward system helps in reducing employee turnover of the company.	3.76	0.997
The managers and their subordinates see the transaction as a means of advancing toward their personal goal	4.47	0.151
The manager does not make an effort to enhance subordinates' creativity and generation of new ideas	3.85	0.646
Employees are rewarded for achieving agreed-upon objectives	3.73	0.702
Average	3.90	0.682

The descriptive results on transactional leadership show that respondents agreed with the statements that the reward system is helpful for the employees to keep them satisfied (mean=3.69; SD=.914). Reward system helps in reducing employee turnover in the company (mean=3.76; SD=.997), The managers and their subordinates see the transaction as a means of advancing toward their personal goal (mean=4.47; SD=.151), The manager does not make an effort to enhance subordinates' creativity and generation of new ideas (mean=3.85; SD=.646), Employees are rewarded for achieving agreed-upon objectives (mean=3.73; SD=.702). All respondents on average agreed with the statements on transactional leadership as shown by the average response mean of 3.90 and a standard deviation of 0.682

The findings of the study are in agreement with the findings of Longe (2014) who agreed that the transactional leadership style helps in creating as well as sustaining the context in which organizational and human capabilities are maximized as the employees are always able to achieve the tangible and intangible rewards. This leadership style particularly helps in creating an environment that is optimal for performance and also articulates a compelling vision that enhances the overall organizational performance. The findings also agree with Sofi and Devanadhen (2015), that this leadership style does not encourage creativity and innovation among the employees.

Organization Performance

Table 4.3e Descriptive Statistics on Organization Performance

Organization Performance		
Our Organization has clear strategies for improving revenue.	4.11	0.226
The organization continues to achieve satisfactory returns on investments.	4.01	0.346
The Organization has experienced growth in number of customers over the last year.	3.91	0.324
Our organization has experienced increased customer retention rates due to customer satisfaction.	3.85	0.469
The organization experiences low employee turnover rates due to existing leadership.	4.14	0.208
Average	4.004	0.395

Our Organization has clear strategies for improving revenue(mean=4.11; SD=.226), that the organization continues to achieve satisfactory returns on investments(mean=4.01; SD=.346), and the Organization has experienced growth in the number of customers over the last year(mean=3.91; SD=.324), that our organization has experienced increased customer retention rates due to customer satisfaction(mean=3.85; SD=.469), that the organization experiences low employee turnover rates due to existing leadership(mean=4.14; SD=.208). The findings of the study are in agreement with the findings of Jaleha & Machuki (2018) who argued that strategic leadership had a substantial impact on performance further stating that Strategic leadership plays a major role in determining performance by enabling their organizations to cope with their external environment.

Correlation Test Results

Table 4.4 Correlation Test Results

Variables	Measure	Performance	Transformational Leadership	Transactional Leadership
Performance	Pearson Correlation Sig.(2-tailed)	1		
Transformational Leadership	Pearson Correlation Sig. (2-tailed)	0.720	1	
Transactional Leadership	Pearson Correlation Sig. (2-tailed)	0.596	0.568	1

The correlation analysis results outlined show that there exists a positive significant correlation between the independent variables of the study and the performance of solar companies in Nairobi County, thus, this linearity assumption was checked and met. The findings presented in Table 4.4 indicate that there is a significant positive linear relationship between transformational leadership and the performance of solar companies with ($r= 0.720$), this implies that effectively engaging transformational leadership is most likely to enhance the performance of solar companies. The results agree with the study of Pearce and Robinson (2017), who stated that transformational leadership is implemented by creating a supportive environment where employee shares responsibility, encouraging action that supports organization's interest,

The results show a significant positive linear relationship between transactional leadership and performance of solar companies with ($r= 0.892$), this implies that effectively engaging transactional leadership is most likely to enhance the performance of solar companies. The results agree with the study of Longe (2014) who stated that the transactional leadership style helps in creating as well as sustaining the context in which organizational and human capabilities are maximized as the employees are always able to achieve the tangible and intangible rewards

The results indicate that the association between each of the independent variables and the dependent variables were significant at 95% confidence level. The relationship was found to be statistically significant at 5% level. The four variables correlate with each other positively. The independent variables were positively correlated with each other independent variables indicating that an increase in one of these variables could therefore associated with an increase in the others variable.

Multiple Linear Regression Analysis

Table 4.5 Regression Model Coefficients

<i>Coefficients</i>	Unstandardized		Standardized	t	Sig.
	B	Std. Error	Beta		
(Constant)	0.116	0.175		0.663	0.022
Transformational	0.591	0.156	0.527	3.788	0.000
Transactional	0.516	0.218	0.453	2.367	0.000

a. Dependent Variable: Performance
b. Predictors: (Constant) transformational, transactional

$$Y=0.116+0.591X_1+0.516 X_2+e$$

$$\text{Organization Performance} = 0.116 + 0.591(\text{transformational}) + 0.516(\text{Transactional})$$

The equation established that considering all other independent variables constant at zero, Performance of solar companies will be at an index of 0.116. Taking all other independent variables to zero, a unit increase in transformational leadership results in 0.591 increase in performance of solar companies in Nairobi county, a unit increase in transactional leadership results in 0.516 increase in performance of solar companies in Nairobi county.

The hypotheses of the study were formulated for acceptance and rejection. This was done using the t-statistical tool. The coefficients of the t-test statistical analysis are presented below.

Decision rule was; Reject H_{01} - H_{02} IF P-value is ≤ 0.05 otherwise accept H_{01} - H_{02} if p-value ≥ 0.05

H_{01} Transformational leadership has no significant influence on the performance of solar companies in Kenya

The results show that $t = 3.788$ and $p = 0.000$ transformational leadership was found to have a statistically significant influence on the performance of solar companies in Nairobi, therefore, the null hypothesis was rejected and the alternative hypothesis was accepted.

H_{02} Transactional leadership has no significant influence on the performance of solar companies in Kenya

The findings showed that $t = 1.775$ and $p = 0.000$ transactional leadership was found to have a statistically significant influence on the performance of solar companies in Nairobi, therefore, the null hypothesis was rejected and the alternative hypothesis was accepted.

Conclusions

Based on the findings, the study concludes that transformational leadership positively and significantly affect the performance of solar companies. Transformational leadership practices ensure that employees can be innovative, it ensures that employees are empowered and subordinates are stimulated beyond their interest to the benefit of the organization. All these contribute positively to the performance of solar companies in Nairobi County.

The study's findings demonstrated that transactional leadership has a strong relationship with organization performance, it shows that transactional leadership positively and significantly affect the performance of solar companies. The transactional reward system, ensures that the employees are kept satisfied, perform effectively and reduce employee turnover rates which in turn increases the performance of solar companies in Nairobi County.

Recommendations for the Study

From the study conclusions, recommendations are provided to the management of the solar companies. The study recommends improving on transformation leadership through inspiration, intellectual stimulation, individualized consideration, and idealized influence.

Since the transactional relationship encourages effectiveness and boosts performance, the study recommends the solar companies to increase the reward and punishment systems that encourages employees to perform better.

Areas for further research

Since strategic Leadership styles account for 77.4% of performance of solar companies, other researchers should carry out a different study with other factors that were not included in this study. From the literature review similar studies employed descriptive research design, other researchers should carry out the same research using a different research design. Researchers can replicate the study on solar companies in a different geographical scope.

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