

INFLUENCE OF TRANSFORMATIONAL LEADERSHIP ON BUSINESS PERFORMANCE:  
A CASE OF WOMEN LED FAMILY ENTERPRISES IN THIKA TOWN, KENYA

By

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## DECLARATION

I declare that this project is my original work and has not been submitted to any other college or university for academic credit.

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This project has been submitted for examination with our approval as the appointed Supervisor

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## DEDICATION

To my husband and daughters, thank you for your support and patience. I dedicate this work to my father, a man who has wished me well in all my endeavors. May the Lord bless you.

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## ABSTRACT

Throughout the world, women are underrepresented in organizational leadership. Although there has been a rallying call towards elevation of women to leadership positions in the business sector, empirical evidence on corresponding performance in the Kenyan business space is sparse. The main objective of every business is to enhance performance. This study sought to find out the influence of transformational leadership on business performance in family owned enterprises led by women in Thika town. This was meant to provide an evidence base upon which to present a business case for entrusting the leadership of family owned enterprises on women depending on the outcome. The study viewed leadership styles adopted by women within family owned enterprises through the lenses of transformational leadership theory. The study further looked at the human relations theory and theory of performance. Descriptive research design using the mixed methods approach was used. The target population was 2,310 small and micro family owned enterprises licensed by the Thika Sub County of Kiambu County and led by women for a period of more than two years. The sample size was 231 family enterprises led by women, equivalent to 10 percent of the population size. Stratified random sampling using private education, small scale manufacturing, retail, construction, hospitality and textile sectors as the criterion was used in the study. Questionnaires and interview guides were used as tools of data collection. Frequency, mean and standard deviation scores were used to describe the dataset. Correlation and regression techniques were used to establish the relationship between the study variables. For qualitative data, thematic analysis technique was used to classify insights into themes and subthemes, which was then analyzed and represented in quantitative form. The study established that inspirational motivation has a weak and positive but insignificant relationship with business performance. Intellectual stimulation, individualized consideration and idealized influence have strong positive and significant relationship with business performance. The recommendation is that women in leadership within family owned businesses should continually inspire confidence, boost team work and encourage creativity among their employees. They should further prioritize learning and development and endeavor to become committed role models who coach and mentor staff in order to improve business performance.

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## ABBREVIATIONS

|         |                                                                      |
|---------|----------------------------------------------------------------------|
| ANOVA   | Analysis of Variance                                                 |
| CEO     | Chief Executive Officer                                              |
| IC      | Individualized Consideration                                         |
| II      | Idealized Influence                                                  |
| IM      | Inspirational Motivation                                             |
| IS      | Intellectual Stimulation                                             |
| NACOSTI | National Commission for Science, Technology and Innovation           |
| ROA     | Return on Asset                                                      |
| ROE     | Return on Equity                                                     |
| ROI     | Return on Investment                                                 |
| SMARTA  | Specific, Measurable, Attainable, Realistic, Time bound, Appropriate |
| SPSS    | Statistical Package for the Social Sciences                          |
| SV      | Sales Volume                                                         |

## DEFINITION OF TERMS

*Family businesses:* These are businesses that are owned and controlled by family members (Moran, 2015). This study has a similar point of view.

*Leadership:* Leadership is influence (Maxwell, 2012). This study has used the term influence to refer to positions of influence and decision making.

*Performance:* This is the level of effectiveness with which an organization realizes its mission and goals (Nasidai, Sikuku & Muthama, 2013). Performance is evaluated through financial indicators such as profit, return on investment (ROI), return on asset (ROA) , return on equity (ROE) and nonfinancial indicators such as customer satisfaction and employee satisfaction (Marr, 2012).

*Transformational leadership:* This is a leadership style that makes employees go beyond the confines of their jobs description to achieve good results (Eagly, 2013). Transformational leaders are said to challenge the process, allow others to act, motivate the heart, inspire vision and model the way (Kouzes & Posner, 2016). Transformational leadership is the art of influencing followers positively through inspirational motivation, intellectual stimulation, idealized influence and individualized consideration (Belasen, 2012).

*Inspirational motivation:* This is a leader's ability to inspire confidence and teamwork (Belasen, 2012). A leader's ability to motivate and inspire followers through helping them understand the meaning of their work and arousing team spirit (Bass & Riggio, 2006).

*Intellectual stimulation:* This is the ability to encourage creativity and learning of new skills (Belasen, 2012). Intellectual stimulation is the habit of intellectually challenging followers and women rate very highly on this compared to their men counterparts (Pfaff et al., 2017).

*Idealized Influence:* This is a leader's ability to become a committed role model through maintaining high standards of moral and ethical conduct, being held in high personal regard and engendering loyalty from followers (Belasen, 2012).

*Individualized consideration:* This is a leader's insight to recognize individual needs through coaching and mentoring. Leaders endeavor to dig out the unique growth and developmental needs of followers (Belasen, 2012).

## CHAPTER ONE: INTRODUCTION AND BACKGROUND TO THE STUDY

### Introduction

This chapter outlays the background on transformational leadership and business performance. It reviews the growing recognition of women in leadership as a source of competitive advantage for organizations. The chapter states the problem, outlines the study purpose, objectives and research questions. The chapter provides the research questions, significance, scope and limitations of the study.

### Background to the Study

Leadership is influence (Maxwell, 2012). This is a simple and yet profound definition with implications on the conceptualization of leadership across the gender divide. Leadership is independent of rank or social position (Fairholm, 2010). As long as one acts within acceptable limits, one's exercise of leadership is useful and valuable to society. Leadership occurs in an organizational context. Leadership is the ability to influence others towards the achievement of organizational objectives (Lee, 2015).

### Transformational Leadership

The most fundamental impact of leadership is to transform followers who respond by trusting, admiring, respecting and being loyal to the leader hence this term (Burkus, 2010). Transformational leadership is associated with inspirational role modeling, fostering good human relationships, developing followers' skills and motivating them to go beyond the confines of their job descriptions (Eagley, 2013).

Transformational leaders are said to challenge the process, allow others to act, motivate the heart, inspire vision and model the way (Kouzes & Posner, 2016). Four dimensions of

transformational leadership have been identified as inspirational motivation, intellectual stimulation, idealized influence and individualized consideration (Belasen, 2012). A global research suggests that women adopt transformational leadership styles which have been linked to business performance in over 70 countries (Adusel, Akomea & Poku, 2017). They tend to use it because it relies on skills associated with their gender (Sedlmayr, 2017).

### Performance

An organization cannot outperform its leader (Maxwell, 2012). The performance of any enterprise is heavily dependent on the skills, knowledge and ability of its top executives (Motilewa, Agboola & Adeniji, 2015). Performance is the level of effectiveness with which an organization realizes its mission and goals (Nasidai, Sikuku, & Muthama, 2013). Within the context of business organizations, a number of key performance indicators are used to evaluate leadership effectiveness. These have been classified into two. Financial indicators such as profit, return on investment (ROI), return on asset (ROA) and return on equity (ROE). Nonfinancial indicators are customer and employee satisfaction (Marr, 2012). Most family enterprises shy away from disclosing their returns hence the need to use sales volume (SV) as a less direct financial indicator in the research. A leader influences members of the organization towards organizational success (Maxwell, 2012; Motilewa, 2015 & Nasidai 2013).

### Women in Leadership

Scholarly interest and policy attention has been accorded to the subject of women in leadership, a domain that has been characterized by male domination for decades (Rhode, 2017).

There are more women entering the leadership space in politics, business and society than ever before (O'Neil & Domingo, 2016). A lot of debate has occupied the scholarly landscape about the contribution of women in leadership to organizational performance, with the consensus

tending to lean towards the idea that the presence of women in leadership contributes to better performance due to their transformational leadership orientation (Tomal & Jones, 2015).

Studies on the impact and effectiveness of women in leadership in different economies such as India, Pakistan, Canada and the United Kingdom suggest that the adoption of feminine leadership styles was more effective than masculine leadership styles. Findings suggested that female leaders demonstrated higher people orientation (Faizan, Nair & Haque, 2018). This affirms the argument put forward by many scholars that the presence of women in leadership positions increases firm value (Fjaerli, 2015; Lincoln, 2012; Triana & Asri, 2017). Firms that have women at the top of the organization's hierarchy have a competitive advantage (Paustian-Underdahl, Walker & Woehr, 2014).

Within the African continent, although characterized by scarcity of research, recent scholarly works on women in leadership and the associated impact on organizational outcomes support the results of studies reported in the Western world (Gobaw, 2017). There has been a corresponding affirmation of the importance of womens' leadership in varied spheres of society. Commonwealth Governments, fuelled by research findings suggest that increased representation of women in boards is positively correlated with financial performance and negatively correlated with corporate governance scandals (Commonwealth Secretariat, 2015). In Kenya, the significance of women in leadership is implicitly recognized by the Kenyan constitution which focuses on affirmative action, especially in political leadership and public appointments (M'Mbaha, 2012).

## Business in Thika Town

Thika is an industrial town is commonly referred to as the ‘Birmingham of Kenya’. It is located in Kiambu County, on the North Eastern side of Nairobi, the capital city of Kenya. The town is the main commercial and industrial center serviced by an eight lane superhighway to Nairobi, a highway to Garissa and a railway line (County Government of Kiambu, 2015). As such, the town is well connected to national and regional urban centers. It is one of the most rapidly growing town centers in terms of population and enterprise development. It attracts many industries.

The 2019 census revealed that the population of Thika East and Thika West was 284,776. It represented 11.78% of the total population of Kiambu County (Kenya Population and Housing Census, 2019). Industries from different sectors provide employment for different calibers of employees. These employees then become a huge market for sectors such as private education, small scale manufacturing, retail, construction, hospitality and textile.

## Family Owned Businesses

Family owned enterprises account for seventy to eighty percent of all businesses in Kenya. They employ more than sixty percent of the country’s workforce (Warigia, 2019). Most recent discussions by Thika District Business Association (2019) indicate that there are fifteen thousand businesses in Thika town. Going by the country’s family business ownership statistics seventy to eighty percent of these businesses are likely to be family owned businesses. This is a huge contribution to the economy of Thika town and Kiambu County at large. This necessitates the need to find out the influence of transformational leadership on business performance on family owned enterprises led by women in Thika town.

## Problem Statement

Women holding leadership positions globally within the family businesses sector have a representation of twenty two percent (Gobaw, 2017). In Africa, statistics on the number of women holding leadership positions in family businesses is sparse. A research by McKinsey (2016), reveals that women hold twenty nine percent of senior manager's positions in the continent. Kenya has a slightly lower representation of twenty one percent of women leading the corporate sector (KIM, 2017). The under representation of women in leadership within family businesses warrants the need to study their transformational leadership style in relation to business performance.

A study done by Murathe (2016) on small family businesses in Nairobi linked transformational leadership to the growth rate of enterprises. Though the study did not focus on women in leadership, it revealed a relationship between transformational leadership and performance in terms of growth. Another investigation on the performance of family owned manufacturing enterprises in Nairobi by Miriti (2014) suggested that founders needed to create an environment that would encourage and reward workers in family firms to take risks, become more innovative and creative. Though the study did not focus on women leaders, these suggestions are undertakings practiced by transformational leaders. A study was conducted by Wangari (2017) on factors affecting performance of businesses owned by female entrepreneurs in small and medium enterprises in Kenya. The findings indicated that gender related challenges had an impact on business performance. The study may not have been specific to family owned enterprises but the gender dimension is worth looking into.

Since family owned businesses are the backbone of the economy ( Krappe, Goutas, & Von Schlippe ,2011), a lot of research has been conducted locally on family owned businesses with an emphasis on succession planning (Andembe, 2016; Maina, 2013; Nyalitia, 2018 & Toshie, 2014). There is little research done on the influence of transformational leadership on the performance of family owned enterprises led by women in Kenya. This study embarked on finding out the influence of inspirational motivation, intellectual stimulation, idealized influence, individualized consideration on the performance of family owned enterprises led by women in Thika Town.

### Purpose of the Study

The purpose of the study was to establish the influence of transformational leadership on business performance in family owned enterprises led by women in Thika town, Kenya.

### Objectives

#### Specific Objectives

1. To determine the influence of inspirational motivation on the performance of family owned enterprises led by women in Thika Town, Kenya.
2. To establish the influence of intellectual stimulation on the performance of family owned enterprises led by women in Thika Town, Kenya.
3. To establish whether idealized influence by women in leadership affects the performance of family owned enterprises in Thika Town, Kenya.
4. To explain the influence of individualized consideration on the performance of family owned enterprises led by women in Thika Town, Kenya.

### Research Questions

1. What is the influence of inspirational motivation on the business performance of family owned enterprises led by women in Thika Town, Kenya?
2. What is the influence of intellectual stimulation on the business performance of family owned enterprises led by women in Thika Town, Kenya?
3. How does idealized influence by women in leadership affect the performance of family owned enterprises led by women in Thika Town, Kenya?
4. What is influence of individualized consideration on performance of family owned enterprises led by women in Thika Town, Kenya?

### Assumptions of the Study

The study assumed that there was a common leadership style adopted by women in leadership of family owned enterprises. It also assumed that women in leadership were endowed with natural leadership qualities that are desirable for business performance. A final assumption was that the views expressed by all the respondents' were a true representation of their perception of women in leadership.

### Rationale

Explicit knowledge on the advantage of having women in leadership positions within family owned enterprises in terms of business performance in Kenya is sparse.

This research was meant to document the relationship between transformational leadership by women and family business performance, thus providing the evidence base upon which to present a business case for entrusting the leadership of family owned enterprises on women.

### Significance of the Study

This study aimed at benefiting a diverse number of stakeholders. It would inform the development of a curriculum targeting those with interest in studying leadership of family businesses. The study illuminates the contribution of women in leadership in family businesses which can be scaled nationally due to its significance. It inspires women in leadership to utilize transformational leadership which relies on skills associated to their gender to push family businesses to the next level thus promoting deployment of female family members into key leadership positions. It further provides an evidence base for policy development in the business sector generally. It also forms a repository of knowledge for the extension of research into transformational leadership, family business, gender and leadership in society. The study provides an evidence base for policy development.

### Scope of the Study

The study was undertaken within Thika Town, which according to the County Government of Kiambu (2015) is among the most rapidly growing. Being an industrial town, Thika has industries which offer employment to most of her residents. Data was collected from different employees and women in leadership from various enterprises. The performance indicators evaluated by the study were financial (sales volume) and non financial (customer satisfaction and staff retention). The methodological scope was descriptive research design using mixed methods approach to describe the influence of inspirational motivation, intellectual stimulation, idealized influence and individualized consideration on the performance of family owned enterprises led by women in Thika Town, Kenya.

### Limitations of the study

A number of issues presented challenges to the study. The first being that respondents from selected family owned enterprises were unwilling to participate in the research since they regarded the information in the questionnaires as private and confidential. This limitation was overcome by clearly explaining the study objectives and signing confidentiality agreements.

The second issue was that women in leadership were not easily available at the time of the interview due to business commitments. Ample time was allowed to undertake the study. The researcher arranged to collect data at the convenience of the research participants to overcome the limitation.

The third limitation was that the study ran the risk of getting socially desirable answers instead of the true feelings of the respondents. The respondents were encouraged to be as truthful as possible. The fourth limitation was that a number of respondents did not understand English hence the need for a Kiswahili version of the questionnaire.

### Chapter Summary

This chapter has provided the background overview of the study, explained the conceptual and contextual issues underpinning the subject of women in leadership and business performance. The statement of the problem has been made, the study purpose, objectives and research questions stated. The chapter has also discussed the rationale, significance, assumptions and limitations encountered during the study.

## CHAPTER TWO: LITERATURE REVIEW

### Introduction

This chapter reviews the literature on transformational leadership style in leadership and business performance. It is thematically presented in line with the specific objectives of the study. Section one reviews literature on women leadership. Section two critically discusses the results of past studies on the influence of women in leadership on business performance. Section three explains the theoretical framework which unpacks transformational leadership and the human relations theory. Section four describes the conceptual framework that guided the study.

### Transformational Leadership Style

A style is a relatively stable set of behavior exhibited by a leader (Gipson et al., 2017). Leadership styles are the patterns of behavior used by women in leadership in order to influence satisfaction and performance of employees working in different sectors (Kour & Sudan, 2018). The study focused on transformational leadership style and its corresponding impact on customer satisfaction, staff retention and sales volume in family owned enterprises led by women in Thika Town.

Stereotype has it that women are disposed to the adoption of collaborative and empowering leadership styles as opposed to men who are known for adopting an authoritative style of leadership. The authors based their proposition on the inherent feminine characteristics of women, which, among others, emphasize interpersonal cooperation as an alternative to competition and equality instead of a superior–subordinate authoritative relationship (Samuel & Mokoaleli, 2017).

Additional leadership capabilities exhibited by women include mentoring, inspiring, appealing to the needs of constituents and influencing the attitudes and behaviors of followers

(Bullough et al., 2015). There is an increasing recognition that women are naturally endowed with a combination of qualities that are associated with effective transformational leadership. This perceived advantage stems from the notion that female leaders are more likely than their male counterparts to adopt collaborative and empowering leadership styles. Women are more naturally inclined to emphasize equality, cooperate, be sensitive, warm and understanding instead of portraying a competitive supervisor-subordinate hierarchy (Paustian-Underdahl et al., 2014).

A tabulation of widely cited characteristics of women in leadership include indirect leadership, conciliatory leadership, facilitative, collaborative, supportive, person oriented and affective leadership (Walker & Ritz 2015). All these elements are similar to those of transformational leaders which is a component of this study. The basic claim is that women in leadership are less hierarchical and more oriented to enhancing others' self-worth continues to ring across many scholarly works (Eagley, 2013). Rhode (2017) found that women are more likely than men to value assisting and empowering subordinates as a leadership objective. Women attend more to the individuals they work with by mentoring them and taking their particular situations into account. In effect, they are more likely than men to engage in transformational leadership. This inspires and enables followers to contribute to their organization. Women tend to use a transformational style because it relies on skills associated with their gender (Sedlmayr, 2017).

According to Moore (2011) women owners/managers create a climate of trust by using an interactive team focused style. This encourages open exchanges, collaborations and collective creativity. It moves employees to the status of valued insiders and high performers. The study

sought to establish whether similar principles are exhibited by women in leadership within the family owned enterprises in Thika town.

A study on women leadership styles conducted in the Ethiopian higher education sector revealed that women in the top-level leadership portrayed transformational leadership styles. Those in the middle level leadership portrayed both contingent and transformational leadership styles (Gobaw, 2017). Taken together, the findings indicate that women in leadership tend to display elements of transformational leadership than their male peers (Gipson et al., 2017). The elements of transformational leadership are discussed under the theoretical framework.

### Business Performance

Business performance is the level of effectiveness with which an organization realizes its mission and goals (Nasidai, Sikuku & Muthama, 2013). Today, the influence of women in leadership in organizational performance is increasingly being recognized across the world (Hurduzeu, 2015). Statistical evidence suggests that female leadership is positively linked to firm performance in over 70 countries (Adusel, Akomea & Poku, 2017). Empirical evidence from a study undertaken by Silva & Mendis (2017) further indicates that women in leadership have more transformational qualities than their men counterparts. These are qualities positively linked to organizational performance.

A study was done by Kour & Sudan (2018) on the impact of transformational leadership style adopted by women on employee satisfaction in the insurance sector. The results revealed that transformational style adopted by women in leadership positively influenced employees satisfaction in insurance companies. The satisfied employees performed better than those that felt less motivated. This study sought to establish the relationship between transformational

leadership by women in family owned enterprises and business performance which was conceptualized as staff retention, customer satisfaction and sales volume.

Women in leadership have a better ability to interpret signals of productivity such as matching employees to jobs that are in line with their skills .They also pay employees wages that are closer to their actual productivity (Soyars, 2017). Smith (2014) compiled evidence that makes a business case for having women in leadership positions. Some of the arguments put forward are that firms with more women in leadership financially outperform those that lack women in senior roles as measured by return on assets and corporate governance credentials.

One study with a workforce of twenty percent female showed that overall monthly sales increase would be about 3.7 percent per employee when the leader was a woman. In the event a woman took over a male managed enterprise, with a workforce of twenty percent female, there was an overall increase of about fourteen percent sales per employee (Soyars, 2017). Empirical examination of these claims suggests that the female leadership advantages are modest .They do not necessarily lead to better firm performance (Eagley, 2013). Other studies on women leadership styles and corresponding impact on firm performance yielded mixed results (Zhang, Guo & Mu, 2016).

For instance, while there is a growing body of research associating women in leadership and positive firm performance, a study undertaken by Gagliarducci & Paserman (2014) among German enterprises found that women led enterprises were comparatively less productive. This signals a need for ongoing academic inquiry into the subject of women in leadership and its associated outcome in terms of business performance hence the need for the current study. The study revealed that transformational leadership in family owned enterprises led by women was associated with increased staff retention, customer satisfaction and high sales volumes.

According to Gipson et al. (2017), the leadership and performance discourse is divided into two streams. One of the streams focuses on an effectiveness rating as determined by the perceptions of subordinates, supervisors, peers or the leaders. The second stream pertains to measuring a leader's performance based on organizational outcomes such as financial performance or other key performance indicators. The results did not portray any difference in organizational performance whether led by men or women. This finding points to the idea that performance could be contingent on multiple factors including diversity beliefs prevalent in family owned enterprises (Eagley, 2013). The findings of the current study also revealed that there were multiple factors with an influence on the performance of family owned enterprises that required future investigation.

Most of the studies that indicate the advantage of having women in leadership due to expected high performance examined in large firms in the United States. Research including smaller firms from a wider variety of countries is quite sparse. Research looking at the CEOs of small and medium sized firms has not found strong evidence of any advantage of having women in leadership positions due to good performance (Gipson et al., 2017).

Some researchers argue that the advantage of adopting women leadership styles to enhance performance is exaggerated (Eagley, 2013). The finding of the current study was that women who practiced transformational leadership within family owned businesses enterprises boosted staff retention, customer satisfaction and high sales volume.

#### Staff Retention

Staff retention is one of the most critical issues facing leaders in organizations. It is the effort to ensure that the rate of voluntary turnover of human resource is low. Good performance is assured through retention of key employees for a long period of time (Wakabi, 2016). To

retain staff, leaders need to openly define expectations, provide continuous feedback, correct individual mistakes behind closed doors not publicly, trust employees, praise them openly and make rewards practicable (Burkus, 2012).

Workplace mentorship is a key element that boosts careers and skills. It reduces voluntary staff turnover. Women who use the transformational leadership style act as mentors. They encourage collective creativity (Moore, 2011). Women generally have an inclination to transformational leadership. This is said to transform individuals into motivated performing employees who are likely to be retained longer in an organization (Chin, 2011).

A study by Kour & Sudan (2018) on the impact of transformational leadership style adopted by women on employee satisfaction and retention in the insurance sector revealed that transformational leadership positively influenced employees' satisfaction in insurance companies. The satisfied employees voluntarily remained in the organization longer.

The current study found that women in leadership recognized employees input. They assured them of job security which increased staff retention.

#### Customer Satisfaction

Satisfied customers are loyal customers and are a key asset for every business (Peter & Donnelly, 2015). Customers are satisfied when they get quality products/services, minimal stock outs and prompt responses to their concerns (Barringer, 2015). Women in leadership who use transformational leadership style tend to increase the rate of customer satisfaction in organizations (Kour & Sudan, 2018). Transformational leaders motivate their staff to go beyond the confines of their job descriptions in order to satisfy customers (Eagley, 2013).

The transformational leadership style adopted by women in leadership positively influences employee satisfaction which directly translates to customer satisfaction (Kour & Sudan, 2018). Gender has an effect on the leadership style preferred by different leaders. Women have an inclination to transformational leadership which is said to transform individuals into motivated, performing employees who endeavor to satisfy customers voluntarily (Chin, 2011).

The findings of the current study indicated that women in leadership using transformational leadership style ensured that customers got quality products or services, there were minimal or no stock outs and that there was a high rate of response to customers concerns which enhanced customer satisfaction.

### Sales Volume

Sales volume is a key performance indicator for enterprises (Marr, 2012). It is used to measure the effectiveness with which a business realizes its mission and goals (Nasidai, Sikuku & Muthama, 2013). The sales volume in businesses when the leader is a woman increases by 3.7% per employee compared to when a man leads the organization (Soyers, 2017).

Women in leadership mentor the individuals they work with in order to increase sales and the general performance of a firm (Rhode, 2017). The presence of women in leadership positions increases sales and the firm value (Fjaerli, 2015; Lincoln, 2012; Triana & Asri, 2017). This gives firms with women at the top a competitive advantage (Paustian-Uderdahl, Walker & Woehr, 2014).

A different opinion by Gagliarducci & Pserman (2014) indicated that women led enterprises had lower sales compared to those led by men. The findings of the current study

indicated that women who practiced transformational leadership in family owned enterprises had an influence on sales volumes since they were directly involved in the recruitment of sales staff. They allocated money for marketing and market research which increased sales.

### Theoretical Framework

Leadership styles exhibited by women and the outcomes in terms of business performance were explained through the lenses of transformational leadership theory. The study further considered the human relations theory and theory of performance.

#### Theoretical Background of Transformational Leadership Theory

The concepts of transformational leadership were first introduced by James MacGregor Burns in 1978 when studying political leaders. He was influenced by the Abraham Maslow theory of human needs. He indicated that the most fundamental impact was to transform followers who responded by trusting, admiring, respecting and being loyal to the leader. Followers then endeavored to work harder than expected (Burkus, 2010). Bernard Bass in 1985 identified ways in which leaders transform followers through increasing their awareness of the task value, getting them to focus on team goals and activating their higher order needs (Mwongeli, & Juma, 2016).

#### Components of Transformational Leadership Theory

Gender has an effect on the leadership style preferred by different leaders. Women have an inclination to transformational leadership which is said to transform individuals into motivated, performing employees who endeavor to satisfy customers voluntarily. Transformational leadership theory has been used to explain the increasing recognition of the leadership advantage that firms would benefit from if they had more women in leadership (Chin, 2011).

Transformational leadership is thus associated with inspirational role modeling, fostering good human relationships, developing the skills of followers and motivating them to go beyond the confines of their job descriptions (Eagley, 2013). It is about influencing the feelings of followers, creating positive identification with the leader and work unit (Belasen, 2012). Women leaders who demonstrate transformational leadership enhance organizational development (Anggaheri & Lantu, 2014). This is because they elevate employees' abilities through developing their skills and inspiring them intellectually. Four dimensions of transformational leadership have been identified in literature: inspirational motivation, intellectual stimulation, idealized influence and individualized consideration (Belasen, 2012).

#### Inspirational Motivation

Inspirational motivation is a dimension identified with leaders who have a strong vision for the future based on values and ideas that generate enthusiasm build confidence and inspire followers using symbolic actions and persuasive language (Belasen, 2012). Transformational leaders are depicted as inspirational, encouraging and intentional. They kindle passion within the group which is different from transactional leaders who are contractual and critical in their dealings with employees (Gipson et al., 2017).

Women in leadership are good at inspiring, motivating others, building relationships, collaboration and teamwork. This study views the dimension of inspirational motivation through the lenses of inspiring confidence and teamwork (Gipson et al., 2017).

#### Intellectual Stimulation

Intellectual stimulation is practiced by leaders when they challenge existing organizational norms, encourage divergent thinking, push followers to develop innovative

strategies and encourage learning and development to improve general knowledge (Belasen, 2012). Transformational leaders have a habit of intellectually challenging their followers with women rating higher at developing others compared to their men counterparts (Gipson et al., 2017). This study views the dimension of intellectual stimulation through the ability of women in leadership to encourage creativity and promote learning and development.

#### Idealized Influence

Idealized influence refers to having high standards of moral and ethical conduct, being held in high personal regard and engendering loyalty from followers through role modeling and commitment (Belasen, 2012). Women in leadership who practice the transformational leadership style portray exceptionally positive behaviors which they transmit to their subordinates as role models. Women who exhibit transformational leadership traits are promoted to leadership positions since transformational leadership is recognized as the highest parameter within an organization (Anggaheri & Lantu, 2014). This study views the dimension of idealized influence through the ability of women in leadership in family businesses to act as role models and encourage employee commitment to the organization.

#### Individualized Consideration

Individualized consideration is concerned with recognizing the unique growth and developmental needs of followers, consulting, coaching and mentoring them while on the job. The success of transformational leadership can be attributed to interpersonal abilities that enhance personal identification of the follower with the leader. These interpersonal abilities have been observed largely in women (Belasen, 2012). This study views the dimension of individualized consideration through the lenses of coaching and mentoring of staff by women in leadership in family businesses.

In the current study, the leadership traits that women are endowed with were explored through the viewpoint of transformational leadership in order to explain their associated influence on performance of family owned enterprises in Kenya. The findings revealed that women in leadership who practiced transformational leadership had a positive influence on customer satisfaction, staff retention and increased sales volumes.

### Human Relations Theory

Scientific management which focused on productivity and efficiency and viewed workers as machines was replaced by the human relations theory. Hawthorne research done from 1924 to 1939 conducted by Elton Mayo, the father of human relations approach revealed that giving attention to employees improved their performance. This was the origin of human relations studies. In 1950 the dialogue of how leaders viewed workers changed from that of machines to that of thinking beings with various needs that needed to be thought through to enhance performance (Mulder, 2017). Human relations theory explains how the behavior of leaders can influence the attitudes of their followers towards work (Jiang, Lepak & Baer 2012).

Studies have revealed that collaboration, accountability, personal attention, creativity and emotional aspects of workers are key elements in the human relations theory which increase productivity (Mulder, 2017). These aspects are similar to those of transformational leadership theory which refer to collaboration as inspirational motivation, personal attention as individualized consideration, creativity as intellectual stimulation and accountability as idealized influence (Ocran, 2014). The findings of the current study indicate that when women leaders within family businesses encourage team work, personal attention, commitment and creativity, the customers are satisfied, employee retention increases and sales volumes improve.

## Theory of Performance

The rationale for the theory of performance is based on the extraordinary accomplishments in India led by Gandhi in 1962 who encouraged people to put in their best and perform maximally. To perform is to produce results as clarified in the theory of performance. Its enhancement depends on six constituents which are the level of knowledge, level of abilities, level of individuality, personal and fixed factors (Elger, 2015). The performer's mentality includes the activities that engage positive feelings such as setting stimulating goals, permitting failure as a normal part of attaining great performance and providing circumstances in which performance feels the right thing to do.

This theory rhymes with the transformational leadership theory which implores the need to permit failure especially when employees engage in novel creative ideas and when stimulating employees intellectually to increase productivity (Moore, 2011; Belasen, 2012). The current study results reveal that when women in leadership in family owned enterprises inspire confidence among their staff. They allow failure as a normal part of training. The employees feel valued. As a result, they work towards satisfying customers and increasing sales volume.

Consequently, when customers are satisfied and the sales volume increases, leaders offer bonuses to staff raising the level of staff retention. The theory of performance hence explains the manner in which performance (customer satisfaction, employee retention and sales volume) in the study is improved.

## Conceptual Framework

Figure 2.1 displays the conceptual framework. The figure presents the four dimensions of transformational leadership associated with women in leadership as the independent variables.

These are: inspirational motivation, intellectual stimulation, idealized influence and individualized consideration. Staff retention, customer satisfaction and sales volume are shown as performance indicators which is the dependent variable.

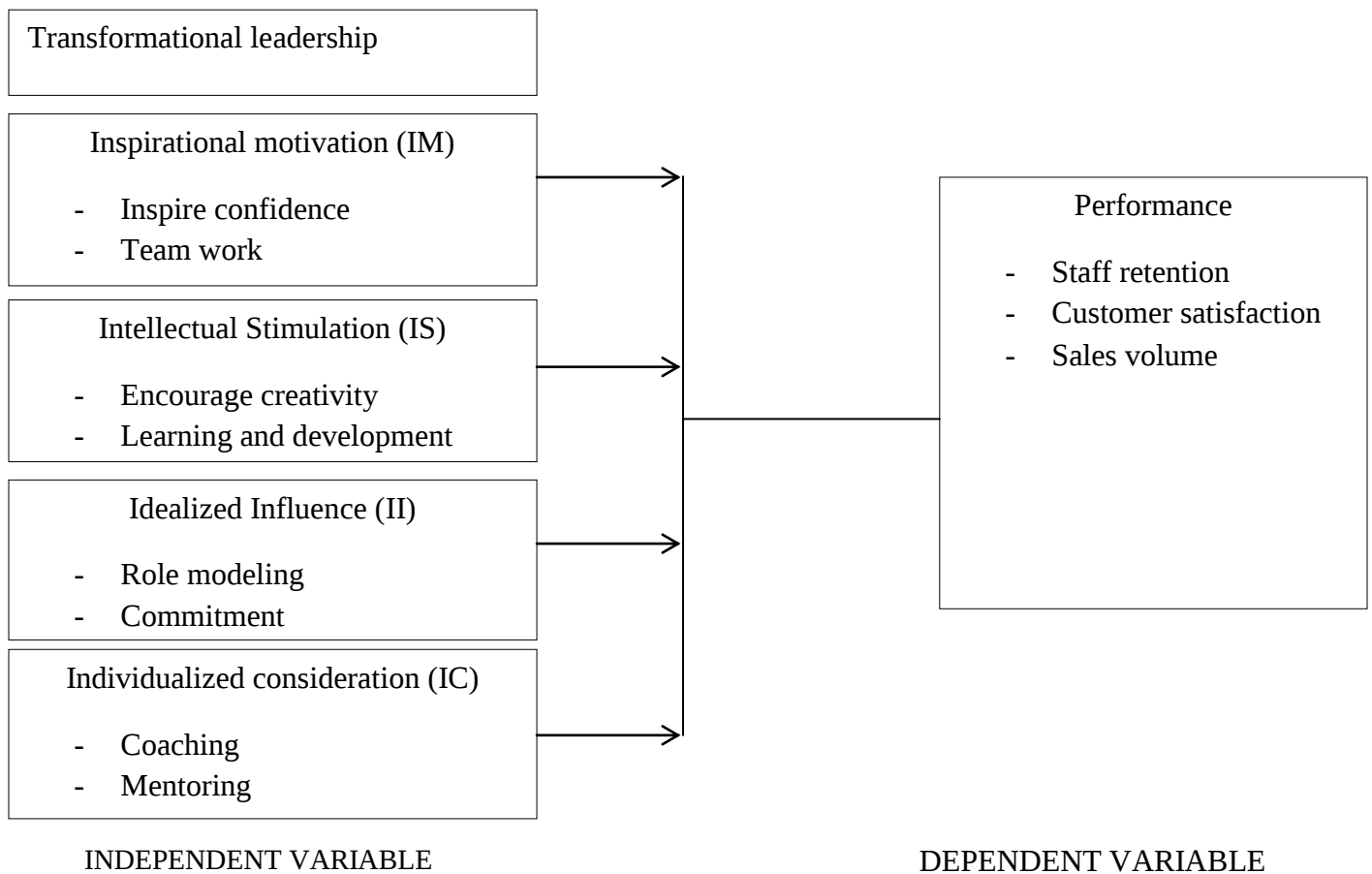


Figure 2.1: Conceptual Framework

### Synthesis of Research Gaps

The literature review reveals scarcity of research on the influence of transformational leadership on business performance in family owned businesses led by women. Empirical studies on influence of transformational leadership on performance revealed that transformational leadership had an association with superior firm performance in banks. There was no evidence that transformational leadership style had any association with superior performance in family businesses led by women.

Past research on small family businesses in Nairobi linked transformational leadership to the growth rate of enterprises (Murathe, 2016). It was not clear whether a similar conclusion would be valid in respect to family owned businesses led by women and if the findings were valid in other locations in Kenya. Research done on the performance of family owned manufacturing enterprises in Nairobi suggested that founders needed to create an environment that would encourage and reward workers in family firms to take risks, become more innovative and creative (Miriti, 2014). The study did not focus on women leaders.

Another study was conducted on factors affecting performance of businesses owned by female entrepreneurs in small and medium enterprises in Kenya (Wangari, 2017). The findings indicated that gender related challenges had an impact on performance. The study may not have been specific to family owned enterprises but the dimension of gender is worth looking into. The current study therefore bridged the gap by focusing on the influence of transformational leadership on business performance in family owned enterprises led by women in Thika town.

## Chapter Summary

This chapter has presented the works of past scholars, theorists and researchers on the discourse on women in leadership and business performance. It is clear from the literature that the empirical evidence is mixed, limited and inconclusive. Much of the current knowledge is skewed towards corporate organizations, with limited attention being accorded to women in leadership in family owned enterprises. The chapter has presented and described the theoretical and conceptual framework that guided the study. In the next chapter the methodology used is discussed.

## CHAPTER THREE: RESEARCH METHODOLOGY

### Introduction

The purpose of this study was to examine the influence of transformational leadership on business performance in family enterprises led by women. This chapter describes the research methodology that was used to collect and analyze data. It contains the research design, target population, sample, sampling methods, research instruments, tools, instrument pre-testing, test re-test, data analysis, data presentation and ethical considerations.

A research philosophy defines the attitude of the researcher as information is generated with positivism, post positivism, realism and constructivism being the main research philosophies that exist (Gog, 2015). The overall research philosophy used for the study was post positivism which assumes that insights founded on observations provide new information that can be generalized and allows for use of multiple methods. Post positivism research philosophy was used to enhance objectivity in the descriptive research (Mugenda, 2012).

### Research Design

Research design is a road map used to find answers as authentically, accurately and precisely as possible (Kumar, 2019). Descriptive research design was used for the study to describe the influence of transformational leadership on the performance of family owned enterprises led by women in Thika Town. Research designs are categories of inquiry within qualitative, quantitative and mixed methodologies that provide specific sequence of procedures in a research.

The mixed methods approach was used in the study because it helps a researcher describe a complicated occurrence qualitatively and quantitatively using numbers. This method uses both qualitative and quantitative data (Creswell, 2017).

### Population Studied

A population is defined as individuals or units of interest in a research (Hanlon & Lagret, 2011). There are 15,000 businesses within Thika town (Central business unit, Makongeni, Kiganjo, Gatuanyaga, Witeithie, Ngoingwa and Gatukuyu) as identified in a pilot survey (Thika District Business Association, 2017). Very many businesses function informally. The number of family businesses in Kenya is about 70% of the total number of businesses which translates to approximately 10,500 family businesses in Thika (Okello, 2018). The study focused on a population of 2,310 family owned enterprises led by women for two years and above in Thika town. The population comprised of family enterprises drawn from private education, small scale manufacturing, retail, construction, hospitality and textile sectors.

### Sampling Frame

A sample is a subset of individuals within a population (Hanlon & Larget, 2011). It is important to have a sampling frame which is a selected category from which a sample is selected (Walliman, 2017). Data from the Thika District Business Association (2017) indicate that most of the sectors led by women are private education, small scale manufacturing, retail, construction, hospitality and textile. These six sectors constituted the sampling frame.

Family businesses that were in more than one sector at the same time for instance some were in construction and small scale manufacturing of construction materials at the same time were ranked as others.

Table 3.1: Sampling Frame

| Strata                    | Population Distribution | Target Population | %    |
|---------------------------|-------------------------|-------------------|------|
| Private Education         | 710                     | 71                | 30.7 |
| Small Scale Manufacturing | 470                     | 47                | 20.3 |
| Retail                    | 410                     | 41                | 17.7 |
| Construction              | 250                     | 25                | 10.8 |
| Hospitality               | 200                     | 20                | 8.7  |
| Textile                   | 140                     | 14                | 6.1  |
| Others                    | 130                     | 13                | 5.6  |
| Total                     | 2310                    | 231               | 100  |

### Sample Size

Mugenda & Mugenda (2012) recommend that 10 percent of the target population constitutes an adequate sample. Therefore, the sample size was 231 family enterprises led by women in Thika town, an equivalent to 10 percent of the population size. The unit of analysis was family enterprises led by women for a period of more than two years within the textile, hospitality, construction, retail, small scale manufacturing and private education sectors.

### Sampling Method

The study applied the stratified sampling method. Stratified random sampling is a process of stratification and then a random selection of subjects from each stratum (Sekaran & Bougie, 2016). Stratified random sampling was used to select the heterogonous population of family owned enterprises from different sectors (private education, small scale manufacturing, retail, construction, hospitality and textile) that have been led by women for more than two years.

### Types of Data

Qualitative and quantitative types of data were collected. Quantitative data is numeric (Hanlon & Larget, 2011). It was used to determine the sales volume and staff retention rate. Qualitative data deals with characteristics that cannot be measured (Sekaran & Bougie, 2016). It was used to determine the level of customer satisfaction and the extent to which transformational

leadership dimensions are practiced by the women in leadership in the performance of family owned enterprises in Thika town.

### Data Collection Instruments

A structured questionnaire, interview guide and review of documents were used to collect data from employees and women in leadership. A questionnaire with open ended questions was used to collect qualitative data. The questionnaire also contained closed ended questions which were used to provide factual numerical data. Additional numerical data was provided through the review of documents hence determining sales volume records and employee retention rates. The questionnaire had two sections. The first section aimed to collect general information on demographics, business sector and the relationship between the respondent and the owners of the family enterprise. The second section had questions aimed at gathering information that would respond to the five research questions of the study. Part 4 in the second section had closed ended questions aimed at gathering numerical data. An interview guide was used to gather information from the women in leadership. The aim of the interview was to determine the influence of transformational leadership on the performance of family enterprises led by women.

### Validity of the Study

Validity refers to the appropriateness, meaningfulness and usefulness of tools, processes and data (Leung, 2015). Questionnaires, interview guides and review of documents were used to enhance validity of tools in the study. This is referred to as methodological triangulation (Hussein, 2015).

### Reliability of the Study

Reliability is the consistency and ability to replicate results. It was tested using constant data comparison (Leung, 2015) and Cronbach's Alpha a statistical test for quantitative data which is a relevant test (Melynk, 2012). The findings are shown in Table 3.2.

Table 3.2: Reliability Results

| Variable                                                  | Number of Items | Cronbach Alpha |
|-----------------------------------------------------------|-----------------|----------------|
| Transformational leadership style                         | 6               | 0.872          |
| Influence of women in leadership on customer satisfaction | 4               | 0.786          |
| Influence of women in leadership on Staff retention       | 3               | 0.876          |
| Influence of women in leadership on sales volume          | 4               | 0.823          |
| Woman leader in a the family business                     | 5               | 0.787          |

From Table 3.2, transformational leadership style had Cronbach Alpha coefficient  $\alpha=0.872$ , influence of women in leadership on customer satisfaction  $\alpha=0.786$ , influence of women in leadership on Staff retention  $\alpha=0.876$ , influence of women in leadership on sales volume  $\alpha=0.823$  and women leaders in the family business  $\alpha=0.787$ . All the values of Cronbach Alpha coefficients for the variables were over 0.7 which shows that the data used in the study was reliable.

### Instrument Pre-testing

Instrument pre-testing is the use of a questionnaire on a small group of people to get a feel of their reaction and responses before formulating a final version (Stangor, 2010). Twelve respondents two from each of the six sectors in the study (private education, small scale manufacturing, retail, construction, hospitality and textile) were used for the pre-test and test retest process. The twelve were not part of the study sample. They were divided into two groups; the first six for the test and the second six for the retest. The test-retest method was used

to make corrections and deletions on the instruments (Nimon, Zientek & Henson, 2012). The pretest process revealed the necessity to rephrase technical terms on the four elements of transformational leadership with phrases that the respondents would understand. The test re-test process informed the need to translate the questionnaire into Kiswahili language.

### Data Analysis

Data was coded and entered into SPSS version 22 for analysis. Quantitative data was analyzed using descriptive statistical techniques such as frequencies, mean and standard deviation scores. Inferences were drawn using correlation analysis to establish association between transformational leadership and performance. Qualitative data was analyzed to discover any important underlying patterns and trends using content analysis. The approach of analyzing qualitative data begins with coding data, grouping various statements under one concept and organizing the concepts into themes and logical categories (Flick, 2013). The main themes were transformational leadership and performance of family owned enterprises led by women. The regression equation below was used to test the influence of transformational leadership on performance.

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \varepsilon$$

Where Y = Business performance

$\beta_0$  = Constant, i.e., the value of Y when X=0,

$X_1$  = Inspirational Motivation

$X_2$  = Intellectual Stimulation

$X_3$  = Idealized Influence

$X_4$  = Individualized Consideration

$\beta_1, \beta_2, \beta_3, \beta_4$  and  $\beta_5$  were the coefficients of  $X_1, X_2, X_3$ , &  $X_4$  respectively

## Data Presentation

Data was organized and presented in textual, tabular, pie chart and graphical methods. Textual data was a combination of texts and figures. Tabular data was presented using frequency distribution tables which arranged data into different categories showing the number of frequencies which fall into each class. Pie charts were used to show comparative percentages. The graphical method was used to present a bar graph.

## Ethical Considerations

Research ethics is treating respondents like fellow human beings especially if a researcher expects to understand their perspectives adequately. It is ethical for any researcher to ensure quality, integrity and transparency. Researchers should uphold values such as disclosing to respondents the purpose of the research, ensuring that respondents are not under duress, assuring safety standards, legality of the issue being researched, confidentiality and autonomy (Hammersley & Traianou, 2012). An introductory letter was sought from Pan Africa Christian University as an assurance that the research was meant for academic purposes only. Respondents were assured that any information provided would be treated with utmost confidentiality and would not in any way interfere with their job. To adhere to ethical research regulations in Kenya, permission was sought from (NACOSTI to carry out the research.

## Chapter Summary

This chapter has provided the research philosophy, methodology used, the test for validity and reliability. It is clear from the section that the study was reliable and valid. The test retest method was helpful in amending the questionnaires to eliminate technical. The chapter has also discussed the data analysis plan, presentation and ethical considerations.

## CHAPTER FOUR: FINDINGS AND DISCUSSION

### Introduction

The chapter sets out the findings and discussions of the study with focus on the response rate and general information. It further presents results on qualitative and quantitative analysis of data based on the study objectives. These are the influence of inspirational motivation, intellectual stimulation, idealized influence and individualized consideration on the performance of family owned enterprises led by women. To analyze quantitative data, content analysis was used to explore themes. Descriptive statistics including frequencies, percentages, means and standard deviations were used to analyze qualitative data. Frequency distribution tables, pie charts and a bar graph were used to present the findings.

### Response Rate

A total of 231 research instruments were distributed to family enterprises led by women in Thika Town. From these instruments, 168 were dully filled and returned. This was equivalent to a 72.7% response rate. The response rate was sufficient and in line with Yin (2017) who opines excellent response rates are over 70%.

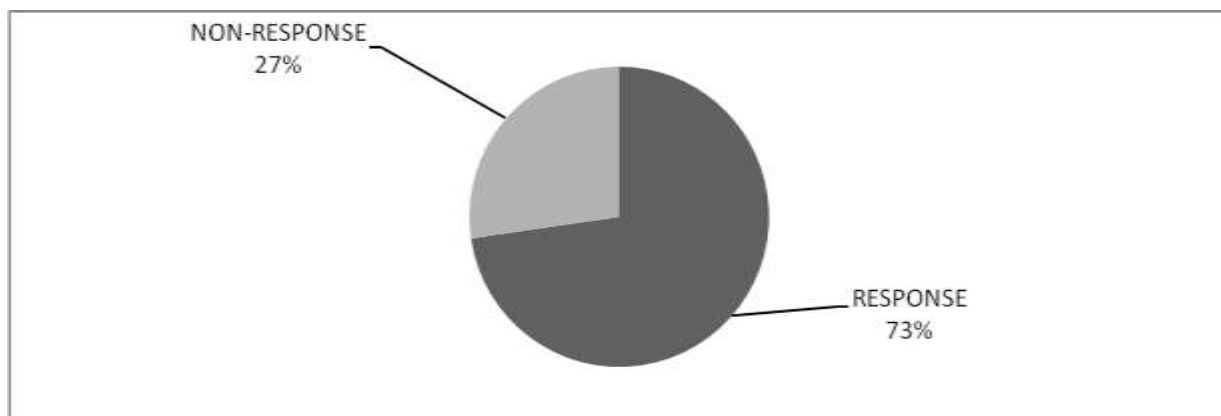


Figure 4.1: Response Rate

The instruments that were duly filled were 168 and the response rate per strata is reported in Figure 4.2.

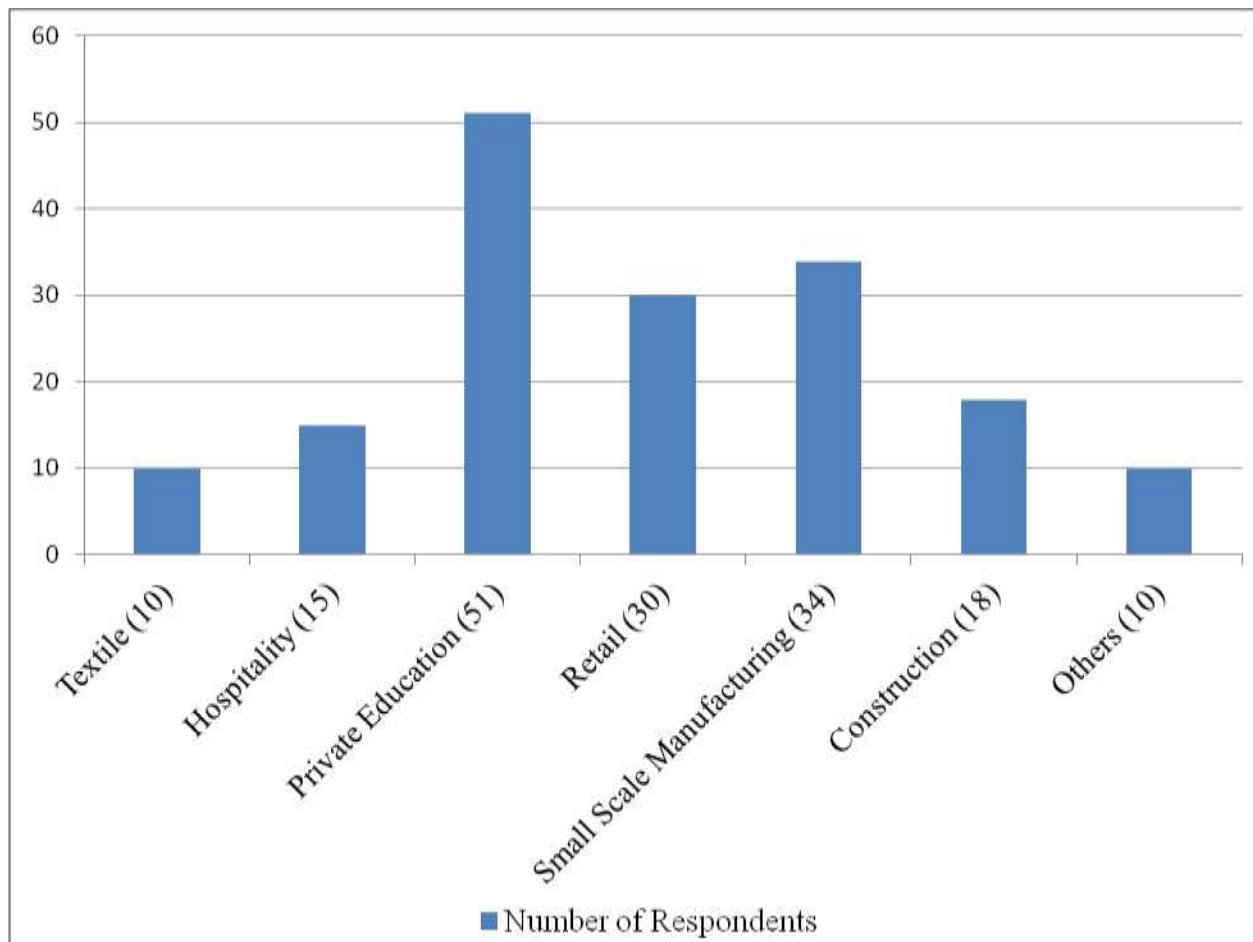


Figure 4.2: Response Rate Per Strata

Figure 4.2 displays the number of respondents per strata. Textile had 10 respondents, hospitality 5, private education had the largest number 51, retail 30, small scale manufacturing 34, construction 18 and others 10. Those in others represented sectors that were in two or more industries for instance some enterprises were in construction and small scale manufacturing of construction materials at the same time. Others were in hospitality and in private training of hospitality trainees at the same time. Still, others were in textile and in private education of tailors at the same time.

## General Information

The study examined the general information of the respondents which included the industry, age, length of service and relationship with firms' owners. These findings are presented in subsequent sections.

### Business Industry

The study sought to establish the industry that the business operated in. The findings are reported in Figure 4.3.

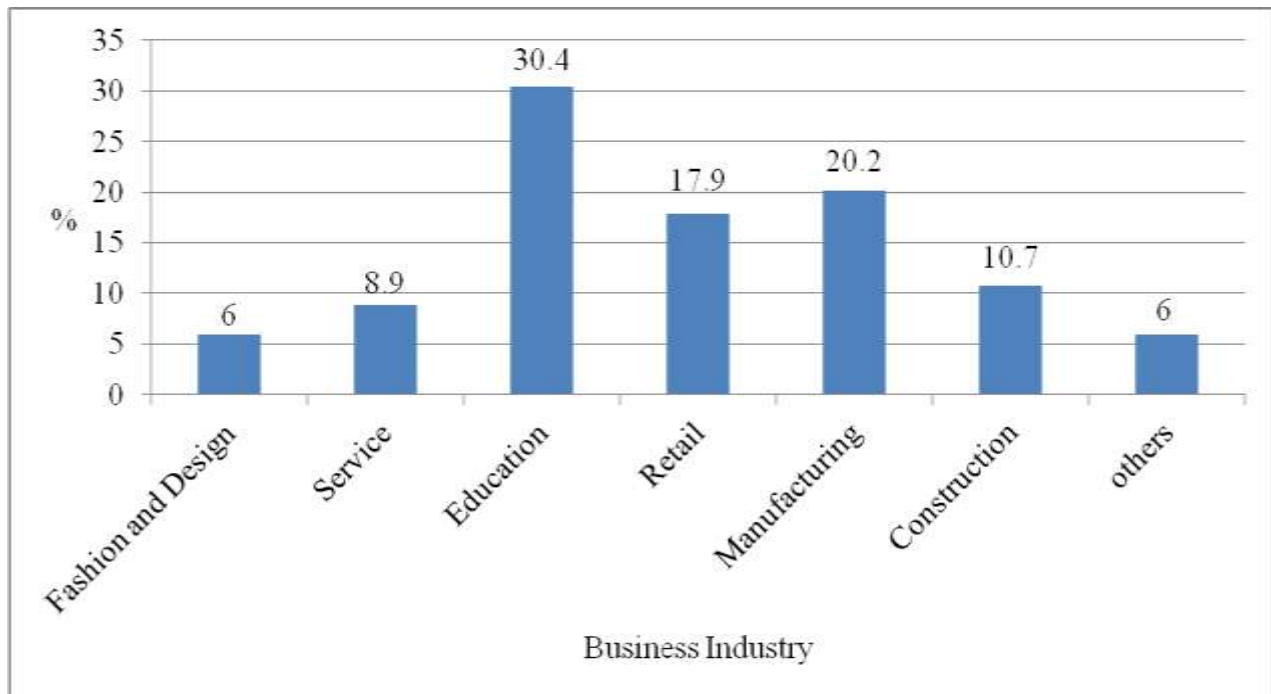


Figure 4.3: Business Industry

From the figure, most of the respondents (30.4%) worked in private education industry, 20.2% in small scale manufacturing, 17.9% in retail, 10.7% in construction, 8.9% in hospitality (service) with a tie between those in textile (fashion and design) and other industries at 6%.

The industry depicted as 'others' was an industry that had operation within two or more industries at the same time. Thus, it can be inferred that respondents of the study were generally

drawn from different industries. Diverse views and opinions on transformational leadership and its influence on business performance in family owned enterprises were sought.

#### Age of Respondents

Respondents of the study were asked to indicate their age in years as presented in Figure 4.4

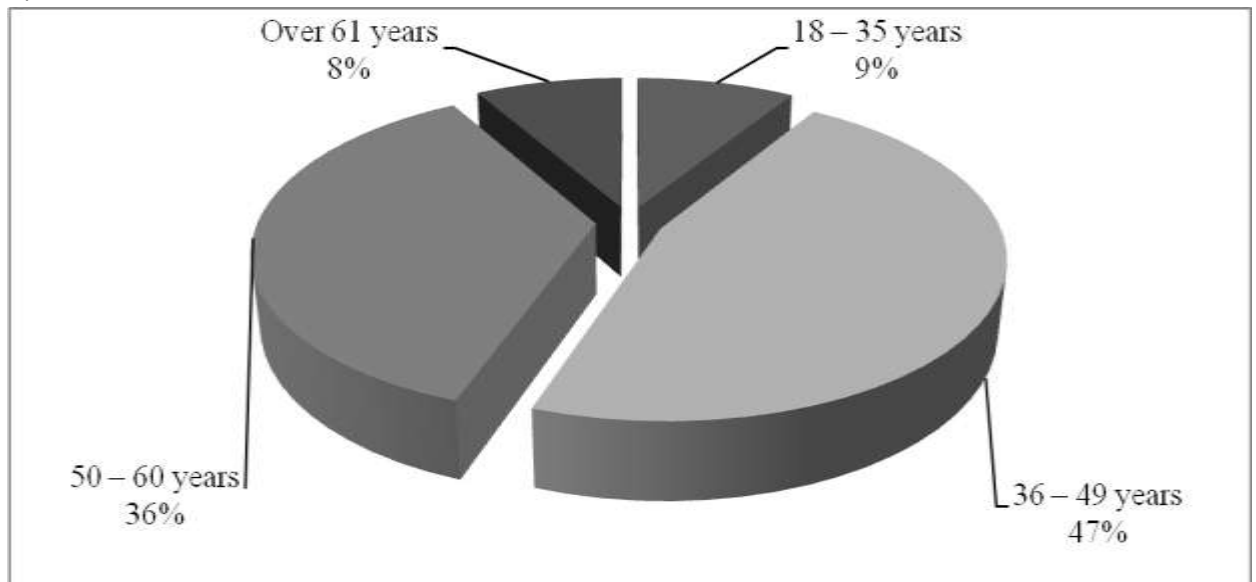


Figure 4.4: Age of Respondents

From the figure, majority of the respondents (47%) were in the age bracket of 36-49 years, 36% were between 50-60 years, 9% were aged between 18-35 years and 8% were over 61 years. This means that respondents were selected from diverse age bracket. The findings would therefore represent the diverse views from different ages which would make them more accurate and reliable. The results also imply that 47% of the respondents aged between 36-49 years may have a long working span before retirement under the influence of transformational women in leadership. This could result to good business performance over a long period of time in most family owned businesses led by women in Thika Town.

### Length of Service

The study sought to establish the number of years that respondents had worked in their respective enterprises. The findings are as presented in Table 4.1.

Table 4.1: Length of Service

|                    | Frequency | Percentage |
|--------------------|-----------|------------|
| Less than 5 Years  | 20        | 11.9       |
| 6 -10 Years        | 80        | 47.6       |
| 11 to 15 years     | 50        | 29.8       |
| More than 15 years | 18        | 10.7       |
| Total              | 168       | 100.0      |

As indicated in the table, majority of the respondents (47.6%) had worked for a period of 6-10 years, 29.8% for 11-15 years, 11.9% for less than 5 years and 10.7% for over 15 years. This means that most of the respondents had worked in family businesses for a relatively long period of time. They were cognizant of the influence of transformational leadership style by the women in leadership on performance.

One of the respondents who had worked for ten years in a private education family owned enterprise mentioned that first five years of operation were difficult with a very high rate of staff turnover. The school then was under the leadership of the current school board chairman. The respondent further explained that only one employee had left when he attained retirement age from the 6<sup>th</sup> year of the schools operation to date since the chairman's wife took over direct leadership as CEO of the family business. The employee retention was higher when the CEO's wife took over leadership.

### Relationship with Enterprise Owners

Table 4.2 presents the findings on the relationship between the respondents and the enterprises.

Table 4.2: Relationship with Enterprise Owners

|                   | Frequency | Percentage |
|-------------------|-----------|------------|
| Family member     | 101       | 60.1       |
| Non-family member | 67        | 39.9       |
| Total             | 168       | 100.0      |

The findings in the table indicate that most of the respondents (60.1%) were related to the owners of the enterprises while 39.9% were non family members. Thus, it can be deduced that family businesses mostly employ family members. This finding is in line with Eagley (2013) who pointed out the idea that performance could be contingent on multiple factors including diversity beliefs prevalent to family business owners. It was noted that family member employees were trusted with senior positions that needed handling of sensitive matters such as finances and budget allocation. In most of the organizations, every department had a representative employee who was a family member. They had been tasked with making sure the departmental officers worked as a team. Team work indirectly increased sales volumes, staff retention and customer satisfaction.

The study sought to establish the role of the respondents in family owned enterprises. One respondent from private education sector stated that her role as a leader was to ensure that the school was operated profitably, ensure that they offered quality education and worked towards achieving a child friendly environment. Another respondent from the small scale manufacturing industry stated that her role was to ensure that there was smooth operation in the manufacturing process from end to end profitably. One respondent stated that her role was to recruit and induct new employees for the organization. An additional respondent said that she participated in the strategic decision making process within the enterprise.

### Transformational Leadership Style

The study sought to determine the influence of transformational leadership style on business performance. Transformational leadership was measured and represented by inspirational motivation, intellectual stimulation, idealized influence by women in leadership and individualized considerations.

#### Inspirational Motivation

The first element of transformational leadership style was inspirational motivation. It had two indicators which were inspiring confidence and teamwork. The findings of the analysis are shown in Table 4.3.

Table 4.3: Inspirational Motivation

|                                                                                                                                                         | SD (%) | D (%) | N (%) | A (%) | SA (%) | Mean | Std. Dev |
|---------------------------------------------------------------------------------------------------------------------------------------------------------|--------|-------|-------|-------|--------|------|----------|
| The women in leadership in our enterprise communicate the goals and vision, inspire confidence, boost our self-esteem, encourage and reward team effort | 0.6    | 0.0   | 35.7  | 59.5  | 4.2    | 3.67 | 0.586    |

From the findings, majority of the respondents (59.5%) agreed with a mean of 3.67 that women in leadership communicated the goals and vision, inspired confidence, boosted their self-esteem, encouraged and rewarded team effort.

#### Inspiring Confidence

The study sought to establish ways used by women in leadership to inspire confidence in employees hence making them feel motivated to work. One respondent from a manufacturing firm indicated that the women in leadership made them feel like they were also part of the factory ownership. This kept them confident that their decisions and actions mattered and would be rewarded.

A second respondent, a woman in leadership said that she motivated employees by giving annual bonuses based on performance. She also praised staff often in staff meetings for confidently doing their job which eventually improved business performance.

A third respondent opined that the firm involved employees in setting goals that were Specific, Measurable, Realistic, Attainable, Time bound and Appropriate (SMARTA). Involving employees made them feel motivated since their opinion in the organization mattered hence inspiring their confidence. The findings agree with Chin (2011) who established that women had an inclination to transformational leadership which is said to transform individuals into inspired, motivated, confident, performing employees who endeavor to satisfy customers voluntarily.

#### Team work

The study sort to establish ways used to enhance teamwork. One respondent said that the firm organized outdoor activities once in a year for employees to have outdoor challenges which they solved as a team. This improved the team spirit, trust and improved interpersonal skills to a great extent which translated to high firm performance. The finding agrees with Moore (2011) who suggested that women leaders create a climate of trust by using an interactive team focused style which encourages open exchanges and teamwork.

A respondent in the hospitality sector indicated that they held interdepartmental football matches mainly to create a team spirit and rewarded team success on work related projects openly. Another respondent in the textile sector indicated that they encouraged open communication which improved relationships and teamwork. The finding corresponds with that of Eagley (2013) who argues that transformational leadership is associated with fostering good

human relationships and motivating employees to work as a team and go beyond the confines of their job descriptions.

### Intellectual Stimulation

The second element of transformational leadership style was intellectual stimulation. Its constructs included creativity and learning and development. The findings of the analysis are presented in Table 4.4.

Table 4.4: Intellectual Stimulation

|                                                                                                                                                | SD (%) | D (%) | N (%) | A (%) | SA (%) | Mean | Std. Dev |
|------------------------------------------------------------------------------------------------------------------------------------------------|--------|-------|-------|-------|--------|------|----------|
| The women in leadership solicit for new creative approaches and ideas from us without negatively criticizing our efforts and reward ingenuity  | 4.2    | 6.0   | 25.6  | 36.3  | 28.0   | 3.86 | 1.105    |
| The women in leadership encourage us to develop our skills on a continuous basis and reward us when we go out of our way to develop our skills | 7.7    |       | 31.0  | 38.7  | 22.6   | 3.69 | 1.142    |

Most of the respondents (36.3%) agreed with a mean of 3.86 that women in leadership solicit for new creative approaches and ideas from them without negatively criticizing their efforts and further reward ingenuity. A vast majority of the respondents (38.7%) agreed with a mean of 3.69 that women in leadership encourage them to develop their skills on a continuous basis and reward those who go out of their way to develop the own skill set.

## Creativity

The study sought to establish how respondents encouraged creativity as a means of stimulating employees intellectually. One of the respondents from the private education sector indicated that they rewarded employees who came up with new ways and ideas of improving academic performance. An example was given of teachers who came up with social studies songs to help the children remember various topics. Such creativity was rewarded publicly by giving a creativity token of the month award. The finding agrees with Moore (2011) who suggested that women leaders encourage collective creativity which enhances high performance.

A respondent in the retail sector indicated that employees who came up with creative selling techniques were rewarded. Their techniques were used by the entire sales team. These techniques would change as soon as a more creative method came up. A respondent from the construction sector indicated that ingenuity and creativity in coming up with reliable, faster and cheaper ways of construction was key in order to capture the middle class. An employee who had come up with a prototype interlocking concrete block which did not use cement for construction had been sent abroad to find out how this technology worked. The employees at the construction factory indicated that they were working hard to come up with innovative construction methods too since it was highly rewarded. The findings agree with those of Moore (2011) who opines that women who use the transformational leadership style act as mentors. They encourage collective creativity thus reducing the rate of voluntary staff turnover.

## Learning and Development

The study sought to establish the influence of learning and development in the performance of enterprises led by women. One respondent from the small scale manufacturing industry said that their leadership organized various trainings, workshops and seminars that

imparted employees with relevant skills and knowledge which they applied for general performance of their organizations. A respondent from the hospitality sector indicated that any employee who went out of their way to further their studies was refunded three quarters of the amount spent as school fees as long as they provided certificates and receipts. A respondent in the private education sector indicated that the leadership was keen on inviting trainers from the Ministry of Education to train all the staff on the new Kenyan competency based curriculum. The findings tally with those of Eagley (2013) which indicate that transformational leadership is associated with developing the skills of followers on a continuous basis.

### Idealized Influence

The third element of transformational leadership was idealized influence by women in leadership. To investigate whether idealized Influence by Women in Leadership affects performance, the constructs of role modelling and commitment were used. The findings are presented in Table 4.5.

Table 4.5: Idealized Influence

|                                                                                                                                    | SD (%) | D (%) | N (%) | A (%) | SA (%) | Mean | Std. Dev |
|------------------------------------------------------------------------------------------------------------------------------------|--------|-------|-------|-------|--------|------|----------|
| The women in leadership are role models in terms of persistence. The women in leadership are role models in terms of moral conduct | 3.0    | 0.0   | 25.6  | 45.2  | 26.2   | 3.72 | 0.954    |
| The women in leadership encourage us to get committed even to challenging roles                                                    | 0.0    | 5.4   | 19.6  | 39.9  | 35.1   | 4.10 | 0.897    |

Majority of the respondents (45.2%) agreed with a mean of 3.72 that women in leadership within their enterprise were role models in terms of persistence and moral conduct. Some respondents (39.9%) agreed with a mean of 4.10 that women in leadership encouraged them to get committed even to challenging roles.

### Role modeling

The study sought to establish how respondents influenced employees through role modeling. One respondent from the textile sector, a woman in leadership indicated that she set clear instructions for the employees to follow. She followed them as a role model. She stated that she would report very early to work. The leader's culture influenced the employees to get to work very early and embark on their stipulated daily tasks.

Another respondent, an employee in the hospitality sector indicated that the women in leadership were persistent even in low seasons when the flow of customers was limited. They took this time to come up with new signature recipes, a practice that the employees emulated. A number of respondents, employees from the hospitality sector indicated that the women in leadership were morally upright and straight forward on matters financial accountability, a virtue they emulated. Transformational leadership is associated with role modeling and motivating staff to go beyond the confines of their job descriptions (Eagley, 2013).

### Commitment

The study sought to establish how the women in leadership influenced the commitment of the employees. One of the respondents in the retail sector indicated that the woman in leadership in their organization set their own targets publicly during staff meetings. They remained committed to exceed expectations even in hard economic times.

This level of commitment became an act of best practice for employees to emulate. Another respondent from the private education sector indicated that they rewarded all the employees that were committed to meeting their monthly targets. Empirical examination indicates that claims on female leadership advantage are modest. They do not necessarily lead to better employee commitment and firm performance (Eagley, 2013).

### Individualized Consideration

The last element of transformational leadership was individualized consideration. It was operationalized into coaching and mentorship. The findings are shown in Table 4.6.

Table 4.6: Individualized Consideration

|                                                                                                                                                                 | SD (%) | D (%) | N (%) | A (%) | SA (%) | Mean | Std. Dev |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|-------|-------|-------|--------|------|----------|
| The women in leadership attend to employees individual needs, intentionally coach and share knowledge willingly and mentor them to take up leadership positions | 10.0   | 49.4  | 21.4  | 7.0   | 12.2   | 2.30 | 0.866    |

Majority of the respondents (49.4%) disagreed with a mean of 2.30 that women in leadership are thoughtful of their individual needs. They intentionally coach and mentor them to take up leadership.

### Coaching

The study sought to establish the influence of coaching as an element of individualized consideration on the performance of family owned enterprises led by women. A respondent from the construction sector indicated that the women in leadership were too busy with future

strategies to set aside time to coach them. The respondent however indicated that the women in leadership were concerned about their personal issues. They would for instance give them soft loans to sort out their financial needs. Another respondent from the textile sector indicated that the women in leadership coached them on how to take up new roles in order to help them settle down quickly. A respondent from the hospitality sector indicated that the women in leadership helped them perform better by coaching them on how to acquire skills on making the hotels signature dishes.

A respondent in the private education sector stated that the women in leadership were keen on coaching them on how to improve students' performance. There were different reactions from different sectors about coaching. On the contrary, Gipson et al., (2017) established that women using transformational leadership are expected to strive and enhance their own education either through mentorship or executive coaching and then identify individual gaps within their followers and coach and mentor them to take up leadership.

### Mentoring

The study sought to establish the influence of mentorship as an element of individualized consideration. Respondents from the private education sector said that the woman in leadership in their enterprise was a business strategist with no background on education making it hard for her to act as a mentor on matters education.

Respondents from the small scale manufacturing, construction, private education and retail industries said that there were no mentors in their respective organizations. Majority of respondents from hospitality and textile industries said that the women in leadership mentored them willingly. They stated that they benefited from their leaders' guidance, skills, competencies, experience and knowledge which made them remain on the job. The findings are

in line with Elias (2018) who stated that workplace mentorship boosts careers, skills, retention and benefits an organization.

### Women in Leadership and Business Performance

The study sought to establish the influence of transformational leadership by women leaders in business performance. Performance was operationalized into three indicators which were: Customer satisfaction, staff retention and sales volume. The findings on women in leadership on each of these constructs are indicated in subsequent sections.

Respondents were asked to explain how they maintained high performance of their organizations. One respondent said that this was done by ensuring that all employees in the firm were treated with utmost respect. Another respondent said that the firm recognized and rewarded best performers. It encouraged low performers to put in more effort through a performance improvement plan. Another respondent said that training programs, seminars and workshops helped in improving employees' skills of thus improving the level of firm performance. The findings tally with those of Gipson et al. (2017) who stated that women in leadership tend to portray elements of transformational leadership more than their male peers. This further boosted high performance among employees.

### Staff Retention

The study sought to establish the influence of women in leadership on staff retention. The findings are shown in Table 4.7.

Table 4.7: Staff Retention

|                                                                 | SD (%) | D (%) | N (%) | A (%) | SA (%) | Mean | Std. Dev |
|-----------------------------------------------------------------|--------|-------|-------|-------|--------|------|----------|
| The women in leadership recognize employees input and good work | 3.6    | .6    | 23.8  | 39.9  | 32.1   | 3.80 | 1.016    |
| The women in leadership assure employees of job security.       | 6.5    | 4.2   | 36.3  | 33.9  | 19.0   | 3.49 | 1.143    |
| Generally, the employees are satisfied with the leadership      | 6.0    | 4.8   | 39.2  | 19.0  | 31.0   | 3.53 | 1.146    |

As shown above, majority of the respondents (39.9%) agreed with a mean of 3.80 that women in leadership recognize employees input and good work. Other respondents (36.3%) moderately agreed with a mean of 3.49 that women in leadership assure employees of job security. Most of the respondents (39.2%) moderately agreed with a mean of 3.53 that generally, they were satisfied with the leadership. It can be deduced from the above findings that women in leadership have an influence on staff retention as a measure of firm performance. The findings agree with Elias (2018) who states that workplace mentorship boosts careers, skills and retention and is of benefit to all.

### Customer Satisfaction

The first measure of performance was customer satisfaction, where an analysis of how it is influenced by transformational leadership practiced by women was conducted.

Table 4.8: Customer Satisfaction

|                                                                                                                                                                     | SD (%) | D (%) | N (%) | A (%) | SA (%) | Mean | Std. Dev |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|-------|-------|-------|--------|------|----------|
| The women in leadership ensure that customers get quality products or services.                                                                                     | 4.8    | 3.6   | 19.0  | 33.9  | 38.7   | 3.98 | 1.075    |
| The women in leadership work towards achieving effectiveness in production and ensure that products or services are available to customers with minimal stock-outs. | 4.8    |       | 30.4  | 44.0  | 20.8   | 3.67 | 0.858    |
| The women in leadership ensure that the rate of response to customers concerns is high.                                                                             | 6.5    | 4.8   | 26.8  | 35.1  | 26.8   | 3.79 | 1.168    |
| Generally, our customers are satisfied with the products and services we offer                                                                                      | 0.0    | 5.4   | 28.0  | 36.9  | 29.8   | 3.98 | 0.932    |

As shown in the table, majority of the respondents (38.7%) strongly agreed with a mean of 3.98 that women in leadership using transformational leadership style ensure that customers get quality products or services. A large number of respondents (44.0%) agreed with a mean of 3.67 that women in leadership work towards achieving effectiveness in production and ensure that products/services are available to customers with minimal stock outs. Other respondents (35.1%) agreed with a mean of 3.79 that women in leadership ensure that the rate of response to customers concerns is high. Most of the respondents (36.9%) agreed with a mean of 3.98 that generally, their customers are satisfied with the products and services they offer.

The above findings indicate that the transformational leadership style used by women has an influence on firm performance in terms of customer satisfaction. This finding is consistent with Kour & Sudan (2018), who established that transformational leadership is a style used by women in leadership in order to influence customer satisfaction and performance of employees working in different sectors.

## Sales Volume

The last indicator of performance was sales volume, and the study sought to determine how it is influenced by women in leadership. The findings are shown in Table 4.9.

Table 4.9: Sales Volume

|                                                                                                            | SD (%) | D (%) | N (%) | A (%) | SA (%) | Mean | Std. Dev |
|------------------------------------------------------------------------------------------------------------|--------|-------|-------|-------|--------|------|----------|
| The women in leadership challenge us to work towards having additional outlets                             | 0.0    | 1.2   | 46.4  | 25.6  | 26.8   | 3.48 | 0.858    |
| The women in leadership are involved in the recruitment of the sales team                                  | 1.8    | 5.4   | 28.0  | 35.1  | 29.8   | 3.91 | 1.002    |
| The women in leadership allocate money for marketing and market research which has increased sales volume. | .6     | 0.0   | 34.5  | 30.4  | 23.2   | 3.44 | 0.981    |
| The women in leadership take setting of monthly sales targets very seriously                               | 3.0    | 3.6   | 23.8  | 40.5  | 29.2   | 4.01 | 1.029    |

From the table, majority of the respondents (46.4%) moderately agreed with a mean of 3.48 women in leadership challenge them to work towards having additional outlets. Most of the respondents (35.1%) agreed with a mean of 3.91 that women in leadership are involved in the recruitment of the sales team.

Most of the respondents (34.5%) moderately agreed with a mean of 3.44 that women in leadership allocate money for marketing and market research which has increased sales volume. Most of the respondents (40.5%) agreed with a mean of 4.01 that women in leadership take the setting of monthly sales targets very seriously. Thus, it can be inferred that women in leadership have an influence on sales volume. This finding is in line with Soyars (2017) who established that

with a workforce of 20 percent female showed that overall monthly sales increase would be about 3.7 percent per employee when the leader was a woman.

In the event a woman took over a male managed enterprise, with a workforce of 20 percent female, there was an overall increase of about 14 percent sales per employee (Soyars, 2017). Respondents indicated their views of how their leadership had affected sales volumes, customer satisfaction and staff retention within their enterprises. For instance, one respondent from the private education industry said that leadership in their organization had resulted into an increase in the number of new students joining the school. This increase in student enrolment was attributed to the high quality of education that was offered coupled with consistent improvement in student performance. Another respondent said that their school ensured that parents were treated like royalty which could be a major reason for increased enrolment of new students.

#### Correlation between Transformational Leadership and Performance

Correlation analysis was conducted to establish the relationship between transformational leadership and performance of family owned business led by women. The findings are as indicated in Table 4.10.

Table 4.10: Correlation between Transformational Leadership and Performance

|                                         |                        | Business<br>Performanc<br>e | Inspiration<br>Motivation | Intellectual<br>Stimulation | Idealized<br>Influence | Individualized<br>Consideration |
|-----------------------------------------|------------------------|-----------------------------|---------------------------|-----------------------------|------------------------|---------------------------------|
| Business<br>Performance                 | Pearson<br>Correlation | 1                           |                           |                             |                        |                                 |
|                                         | Sig. (2-<br>tailed)    |                             |                           |                             |                        |                                 |
|                                         | N                      | 168                         |                           |                             |                        |                                 |
| Inspiration<br>Motivation               | Pearson<br>Correlation | .100                        | 1                         |                             |                        |                                 |
|                                         | Sig. (2-<br>tailed)    | .199                        |                           |                             |                        |                                 |
|                                         | N                      | 168                         | 168                       |                             |                        |                                 |
| Intellectual<br>Stimulation             | Pearson<br>Correlation | .643**                      | .114                      | 1                           |                        |                                 |
|                                         | Sig. (2-<br>tailed)    | .000                        | .143                      |                             |                        |                                 |
|                                         | N                      | 168                         | 168                       | 168                         |                        |                                 |
| Idealized<br>Influence                  | Pearson<br>Correlation | .610**                      | .069                      | .483**                      | 1                      |                                 |
|                                         | Sig. (2-<br>tailed)    | .000                        | .372                      | .000                        |                        |                                 |
|                                         | N                      | 168                         | 168                       | 168                         | 168                    |                                 |
| Individualize<br>d<br>Consideratio<br>n | Pearson<br>Correlation | .295**                      | .138                      | .622**                      | .207**                 | 1                               |
|                                         | Sig. (2-<br>tailed)    | .000                        | .075                      | .000                        | .007                   |                                 |
|                                         | N                      | 168                         | 168                       | 168                         | 168                    | 168                             |

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

\* . Correlation is significant at the 0.05 level (2-tailed).

From the table, the study established that inspirational motivation ( $r=.100$ ,  $p>0.05$ ) has a weak and positive but insignificant relationship with business performance. The finding is consistent with Gagliarducci & Paserman (2014) among German enterprises who found that women led enterprises are comparatively less productive. Intellectual stimulation ( $r=0.643$ ,  $p<0.05$ ) and idealized influence ( $r=0.610$ ,  $p<0.05$ ) have strong positive and significant relationship with business performance.

Individualized consideration ( $r=.295$ ,  $p<0.05$ ) has positive and significant relationship with business performance. Thus, the overall implication of the findings in the table is that

transformational leadership has positive relationship with firm performance. A global research suggests that women adopt the transformational leadership style which has been linked to high business performance in over 70 countries (Adusel, Akomea & Poku, 2017). Within the African continent, recent scholarly works support the results of the global research (Gobaw, 2017). In Kenya, transformational leadership has been associated with superior firm performance (Gonnah & Ogollah, 2016) in micro and small family business enterprises (Murathe, 2016).

#### Influence of Transformational Leadership on Staff Retention

The study conducted regression analysis to determine the influence of transformational leadership on performance of family owned businesses led by women leaders. Performance was operationalized and represented by three indicators: staff retention, customer satisfaction and sales volume. This section presents the findings of regression analysis on transformational leadership on staff retention as a measure of performance. The findings of the model summary are shown in Table 4.11.

Table 4.11: Model Summary

| Model | R                 | R Square | Adjusted R Square | Std. Error of the Estimate |
|-------|-------------------|----------|-------------------|----------------------------|
| 1     | .926 <sup>a</sup> | .857     | .854              | 1.08286                    |

a. Predictors: (Constant), Individualized Consideration, Inspirational Motivation, Intellectual Stimulation, Idealized Influence

From the table, the value of R square is 0.857, which means that the overall regression model was fit. The value of adjusted R square is 0.854. This means that 85.4% change in staff retention as a measure of performance is explained by changes in transformational leadership. ANOVA was conducted at 5% level of significance. The results are presented in Table 4.12

Table 4.12: ANOVA

|            | Sum of Squares | Df  | Mean Square | F       | Sig.              |
|------------|----------------|-----|-------------|---------|-------------------|
| Regression | 1146.864       | 4   | 286.716     | 244.518 | .000 <sup>b</sup> |
| Residual   | 191.130        | 163 | 1.173       |         |                   |
| Total      | 1337.994       | 167 |             |         |                   |

a. Dependent Variable: Staff Retention

b. Predictors: (Constant), Individualized Consideration, Inspirational Motivation, Intellectual Stimulation, Idealized Influence

From the ANOVA results, the value of F calculated is 244.518. This means that the overall regression model of the study was significant. Consider Table 4.13 for the results on regression beta coefficients and the significance of the individual variables of the study.

Table 4.13: Regression Coefficients

|                              | Unstandardized Coefficients |            | Standardized Coefficients | t     | Sig. |
|------------------------------|-----------------------------|------------|---------------------------|-------|------|
|                              | B                           | Std. Error | Beta                      |       |      |
| (Constant)                   | 2.146                       | 1.343      |                           | 1.598 | .112 |
| Inspirational Motivation     | .227                        | 0.058      | 0.244                     | 3.914 | .000 |
| Intellectual Stimulation     | .109                        | 0.03       | 0.009                     | 3.633 | .003 |
| Idealized Influence          | .657                        | 0.076      | 0.703                     | 8.645 | .000 |
| Individualized Consideration | .106                        | 0.019      | 0.009                     | 5.579 | .001 |

a. Dependent Variable: Staff Retention

Consider the following predicted equation:

$$Y = 2.146 + .227X_1 + .109X_2 + .657X_3 + .106X_4 \dots\dots\dots (i)$$

Where Y = Staff Retention

 $X_1$  = Inspiration Motivation $X_2$  = Intellectual Stimulation $X_3$  = Idealized Influence $X_4$  = Individualized Consideration

As indicated in Table 4.13, inspirational motivation ( $p < 0.05$ ), intellectual stimulation ( $p < 0.05$ ), idealized influence ( $p < 0.05$ ) and individualized consideration ( $p < 0.05$ ). All were

found to have significant influence on staff retention. It can therefore be inferred that transformational leadership has significant influence on staff retention. These findings are in line with Chin (2011), who indicated that women generally have an inclination to transformational leadership. This said to transform individuals into motivated performing employees who are likely to be retained longer in an organization.

#### Influence of Transformational Leadership on Customer Satisfaction

Customer satisfaction was another indicator of performance covered by the study. The results of the regression analysis on the interaction between transformational leadership and customer satisfaction are shown in subsequent sections. Table 4.14 gives the results of the model summary.

Table 4.14: Model Summary

| Model | R                 | R Square | Adjusted R Square | Std. Error of the Estimate |
|-------|-------------------|----------|-------------------|----------------------------|
| 1     | .754 <sup>a</sup> | .569     | .561              | 1.04929                    |

a. Predictors: (Constant), Individualized Consideration, Inspirational Motivation, Intellectual Stimulation, Idealized Influence

The results in Table 4.14 give the value of adjusted R square as 0.561. This means that 56.1% change variation in customer satisfaction is explained by variation in transformational leadership. The results of the ANOVA are summarized in Table 4.15.

Table 4.15: ANOVA

|            | Sum of Squares | Df  | Mean Square | F      | Sig.              |
|------------|----------------|-----|-------------|--------|-------------------|
| Regression | 348.408        | 4   | 87.102      | 53.729 | .000 <sup>b</sup> |
| Residual   | 264.245        | 163 | 1.621       |        |                   |
| Total      | 612.653        | 167 |             |        |                   |

a. Dependent Variable: Staff Retention

b. Predictors: (Constant), Individualized Consideration, Inspirational Motivation, Intellectual Stimulation, Idealized Influence

As indicated in Table 4.15, the value of F calculated is 53.729. This means that the overall regression model of the study was significant. The results of the beta coefficients of the study are indicated in Table 4.16

Table 4.16: Regression Coefficients

|                              | Unstandardized Coefficients |            | Standardized Coefficients | t     | Sig. |
|------------------------------|-----------------------------|------------|---------------------------|-------|------|
|                              | B                           | Std. Error | Beta                      |       |      |
| (Constant)                   | 1.653                       | 3.345      |                           | 0.494 | .622 |
| Inspirational Motivation     | .571                        | 0.105      | .917                      | 5.438 | .000 |
| Intellectual Stimulation     | .123                        | 0.022      | .005                      | 5.591 | .021 |
| Idealized Influence          | .139                        | 0.028      | .069                      | 4.964 | .001 |
| Individualized Consideration | .223                        | 0.069      | .218                      | 3.232 | .017 |

a. Dependent Variable: Staff Retention

From Table 4.16, the following equation is predicted:

$$Y = 1.653 + .571X_1 + .123X_2 + .139X_3 + .223X_4 \dots\dots\dots (ii)$$

Where Y = Customer Satisfaction

$X_1$  = Inspiration Motivation

$X_2$  = Intellectual Stimulation

$X_3$  = Idealized Influence

$X_4$  = Individualized Consideration

The results in Table 4.16 show that at 5% level of significance, inspirational motivation ( $p < 0.05$ ), intellectual stimulation ( $p < 0.05$ ), idealized influence ( $p < 0.05$ ) and individualized consideration ( $p < 0.05$ ) all were found to have significant influence on customer satisfaction. This finding is consistent with Kour & Sudan (2018) who established that transformational leadership is a style used by women in leadership in order to influence customer satisfaction and performance of employees working in different sectors.

### Influence of Transformational Leadership on Sales Volume

The study further conducted regression analysis between transformational leadership and sales volume as a measure of performance. The results of regression model are indicated in Table 4.17.

Table 4.17: Model Summary

| Model | R                 | R Square | Adjusted R Square | Std. Error of the Estimate |
|-------|-------------------|----------|-------------------|----------------------------|
| 1     | .896 <sup>a</sup> | .803     | .796              | 3.00986                    |

a. Predictors: (Constant), Inspirational Motivation, Individualized Consideration, Idealized Influence, Intellectual Stimulation

As shown in Table 4.17, the value of the coefficient of determination R square is 0.803. This means that 80.3% change in sales volume of family owned enterprises led by women is explained by changes in transformational leadership. This finding therefore implies that apart from transformational leadership style, there are other factors with an influence on sales volume of family owned firms led by women that should be major focus for future studies.

An ANOVA was carried out at 5% level of significance. Its essence was to establish whether the overall regression model was significant. The findings are shown in Table 4.18.

Table 4.18: ANOVA

|            | Sum of Squares | Df  | Mean Square | F       | Sig.              |
|------------|----------------|-----|-------------|---------|-------------------|
| Regression | 5964.47        | 4   | 1491.119    | 165.612 | .000 <sup>b</sup> |
| Residual   | 1467.6         | 163 | 9.004       |         |                   |
| Total      | 7432.071       | 167 |             |         |                   |

a. Dependent Variable: Business Performance

b. Predictors: (Constant), Inspirational Motivation, Individualized Consideration, Idealized Influence, Intellectual Stimulation

From the findings in Table 4.18, the value of F calculated is 165.612 while that of F critical obtained at degrees of freedom 4 and 163 is 2.427. Thus, it can be seen that the value of F calculated is far above the F critical value. The implication of this finding to the study is that the overall regression model is statistically significant.

The regression beta coefficients were used to establish the nature of the influence of the variables of transformational leadership style on performance. The p-values were used to establish the degree of significance of the each of the study variables. The interpretation of the p-values was done at 5% level of significance (0.05). Table 4.19 gives a breakdown of the findings.

Table 4.19: Regression of Beta Coefficients

|                              | Unstandardized Coefficients |            | Standardized Coefficients | T      | Sig. |
|------------------------------|-----------------------------|------------|---------------------------|--------|------|
|                              | B                           | Std. Error | Beta                      |        |      |
| (Constant)                   | .868                        | 2.293      |                           | .379   | .705 |
| Inspiration Motivation       | .718                        | .403       | .063                      | 1.783  | .076 |
| Intellectual Stimulation     | 1.912                       | .186       | .516                      | 10.260 | .000 |
| Idealized Influence          | .489                        | .210       | .083                      | 2.329  | .000 |
| Individualized Consideration | 1.269                       | .349       | .165                      | 3.637  | .000 |

a. Dependent Variable: Performance

From Table 4.19, the formulated equation of the study is presented below:

$$Y = 0.868 + .718X_1 + 1.912X_2 + .489X_3 + 1.269X_4 \dots\dots\dots(iii)$$

Where Y = Sales Volume

$X_1$  = Inspiration Motivation

$X_2$  = Intellectual Stimulation

$X_3$  = Idealized Influence

$X_4$  = Individualized Consideration

Thus, all factors kept constant, the sales volume of family owned firms led by women would be at 0.868. A unit change in Inspiration Motivation holding other factors constant would lead to 0.718 increases in enterprise sales volume. A unit change in Intellectual Stimulation other factors held constant would result into 1.912 increases in enterprise sales volume. A unit change in Idealized Influence holding other factors constant would lead to 0.489 increases in firm sales

volume. A unit change in Individualized Consideration other factors kept constant would lead to 1.269 increases in firm sales volume.

At 5% level of significance, the study found out that inspiration motivation ( $p > 0.05$ ) has insignificant influence on performance of family businesses led by women. The finding is in line with Gagliarducci & Paserman (2014) who established that women led enterprises are comparatively less productive. Intellectual Stimulation ( $p < 0.05$ ) has significant influence on enterprise performance. Idealized influence ( $p < 0.05$ ) has significant influence on firm sales volume. Individualized consideration ( $p < 0.05$ ) has significant influence on sales volume of family owned firms led by women. From the findings above, it can be deduced that transformational leadership has positive and significant influence on sales volume. The findings agree with a study was done by Kour & Sudan (2018) on the impact of transformational leadership style adopted by women on employee satisfaction in the insurance sector. The results revealed that transformational style adopted by women in leadership positively influenced employees satisfaction in insurance companies.

### Chapter Summary

The chapter provided the results on general information of the respondents such as response rate, age of respondents, length of service and their relationship with the family business owners. The chapter discussed the results of the findings of the study objectives which were the influence of inspirational motivation, intellectual stimulation, idealized influence and individualized consideration on staff retention, customer satisfaction and sales volume (performance). The summary, conclusion and recommendations are discussed in chapter five.

## CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS

### Introduction

The chapter presents a summary of the analyzed findings as supported by the objectives of the study. Conclusions are drawn from these summarized findings for the purpose of generalization. The recommendations are provided for policy, practice and management and areas for further studies proposed.

### Summary of Findings

This section summarizes the findings of the study based on the analysis that was carried out on the collected data. The purpose of the study was to determine the influence of transformational leadership on business performance in family owned enterprises led by women in Thika town. The specific objectives of the study were to determine the influence of inspirational motivation on the performance of family owned enterprises led by women in Thika Town: To establish the influence of intellectual stimulation on the performance of family owned enterprises led by women in Thika Town; To investigate how idealized influence by women in leadership affects the performance of family owned enterprises in Thika Town and to determine how individualized consideration influences the performance of family owned enterprises led by women in Thika Town.

### Inspirational Motivation

The first objective was to establish the influence of inspirational motivation on the performance of family owned enterprises led by women in Thika Town. Correlation, regression and descriptive analysis were used to generate findings. From correlation results, the study established that inspirational motivation has a weak and positive but insignificant relationship

with business performance. Regression results showed that inspirational motivation has insignificant influence on performance of family businesses led by women. Majority of the respondents agreed that women in leadership within their enterprises communicate the vision and goals, boost employees self-esteem which makes them feel confident, encourage the staff to work as a team and reward team efforts.

### Intellectual Stimulation

The second objective sought to establish the influence of intellectual stimulation on the performance of family owned enterprises led by women in Thika Town. From correlation analysis, the study found out that intellectual stimulation has strong positive and significant relationship with business performance. From regression analysis, the study revealed that intellectual stimulation has significant influence on enterprise performance.

A vast majority of the respondents agreed that women in leadership encouraged them to develop their skills on a continuous basis. Most of the respondents agreed that women in leadership solicited for new creative approaches and ideas from them without negatively criticizing their efforts, rewarded ingenuity and recognized employees who went out of their way to develop their skills. Respondents suggested that their organizations should enhance intellectual stimulation through holding regular training forums, workshops and seminars and relevant topics.

### Idealized Influence

The third objective of the study was to investigate how idealized influence by women in leadership affects the performance of family owned enterprises in Thika Town. The findings of correlation analysis confirmed that idealized influence has strong positive and significant

relationship with business performance. Regression results showed that idealized influence has significant influence on firm performance. Majority of respondents agreed that women in leadership were role models in terms of persistence, willpower and moral conduct. Most of the respondents also agreed that women in leadership encouraged them to get committed even to challenging roles.

#### Individualized Consideration

The fourth objective of the study was to determine how individualized consideration influences the performance of family owned enterprises led by women in Thika Town. From correlation results, the study revealed that individualized consideration has positive and significant relationship with business performance. The regression analysis findings showed that individualized consideration has significant influence on performance of family owned firms led by women. Majority of the respondents disagreed that women in leadership were thoughtful of their individual needs and intentionally coached and mentored them to take up leadership.

#### Conclusion

Inspirational motivation has a weak and positive but insignificant relationship with business performance. Inspirational motivation has insignificant influence on performance of family businesses led by women.

Most women in leadership in family owned enterprises motivate and inspire employees to achieve more as a team than they initially envisioned. This inspires confidence at work and on personal related issues.

Intellectual stimulation has a strong positive and significant relationship with business performance. Additionally, it has significant influence on enterprise performance in family

businesses led by women. Women in leadership in most family owned enterprises encourage employees to develop their skills on a continuous basis. They also solicit for new creative approaches and ideas from employees without negatively criticizing their efforts. Majority of family owned enterprises enhance intellectual stimulation of employees through training, workshops and seminars.

Idealized influence has strong positive and significant relationship with business performance. At the same time, idealized influence has significant influence on firm performance. In most family owned enterprises, women in leadership are role models in terms of persistence, willpower and moral conduct. They make employees feel more committed to their organization.

Individualized consideration has positive and significant relationship with business performance. It has significant influence on performance of family owned firms led by women. In most family owned enterprises, women in leadership are not thoughtful of individual needs of employees. Neither do they intentionally coach and mentor them to take up leadership positions.

#### Recommendations of the Study

The results showed that women leading family enterprises needed to practice transformational leadership to attain good performance.

Regarding inspirational motivation which involves inspiring confidence and teamwork, women leading family businesses need to communicate the vision and goals to employees on a continuous basis. The recommendation is that the goals being communicated should be SMARTA. This makes it easier for employees to achieve huge milestones in performance. The women in leadership should also endeavor to boost employees' self-esteem and confidence

levels through recognizing, praising and rewarding good performance publicly in staff meetings. The study recommends that leaders should encourage team work by intentionally rewarding team efforts and organizing outdoor activities which expose employees to team challenges.

The results on intellectual stimulation which involves encouraging creativity, learning and development brought out the need for women in leadership to solicit for new creative approaches and ideas from employees without negatively criticizing their efforts. Resourcefulness should be publicly rewarded. Employees should be encouraged to go out of their way to develop their skills on a continuous basis. Leaders should invest in training forums, workshops and seminars that offer relevant technical, soft and general skills to employees.

Idealized influence which was represented by role modelling and commitment brought out results that revealed the need for women in leadership within family businesses to act as role models in terms of persistence, willpower and moral conduct. The recommendation is that women in leadership should act as role models by publicly setting their own targets and ensuring that they meet or surpass them. This then becomes an exemplary act of best practice for employees to emulate. When employees meet their targets and are recognized, they get committed to the organization. They own up their individual actions which results to improved performance.

Results on individualized consideration which involved coaching and mentorship brought out the need for leaders to intentionally remain thoughtful of employees' individual career growth needs. The recommendation is that individuals should be coached and mentored to take up leadership which as revealed by the human relations theory creates a sense of ownership and in turn improves business performance.

Women in leadership should create an intentional program which coaches employees on the job. Mentors should be encouraged to allow mentees learn from their experiences, competencies, expertise and skills in readiness for succession planning.

#### Contributions of the Study to Knowledge

This study has contributed to the body of knowledge. It focused on the influence of transformational leadership on business performance in family businesses specifically led by women in six sectors which were private education, small scale manufacturing, textile, hospitality, construction and retail. Dominantly studies on influence of transformational leadership on performance have been conducted on large commercial organizations Gonnah & Ogollah (2016) and on the judiciary Ayacko (2017) . Studies on factors influencing performance of women in leadership have been conducted on large public limited companies Muli (2013). Studies on transformational leadership in family businesses have been done in other geographical areas like Nairobi (Murathe, 2016). The current study has brought out the need to practice transformational leadership in sectors such as private education, small scale manufacturing, textile, hospitality, construction and retail that may have been marginalized due to their scope and partial formality.

#### Suggestions for Further Studies

The current study sought to determine the influence of transformational leadership on business performance in family owned enterprises led by women in Thika Town.

A similar study could be carried out in other towns or counties to find out if the results would be the same hence the capacity to firmly generalize the findings. This study had its shortcomings and further improvement would help increase its reliability. Further research is necessary since results imply that apart from transformational leadership, there may be other

factors such as transactional or charismatic leadership with an influence on the performance of family owned enterprises led by women that require future investigation. The current study focused on women in leadership of family owned enterprises irrespective of whether the women were part of the family or non-family members hired as professionals.

Future studies should narrow down to the influence of transformational leadership by women leaders who are part of the family, for instance wives, daughters and granddaughters to facilitate a comparison of the findings. The current study was limited in geographical scope to Thika town, Kiambu County. It was conducted on six sectors which were textile, hospitality, private education, retail, small scale manufacturing and construction. Similar studies should be conducted in other geographical areas and in other sectors to establish if there is any significant difference in findings.

### Chapter Summary

The chapter has summarized the study findings, drawn conclusions and made recommendations. The chapter has further suggested future research recommendations. The chapter demonstrates that transformational leadership has influence on the performance of family businesses led by women. However, it appears that there might be other factors that need to be identified that influence performance apart from transformational leadership.

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## APPENDIX I: QUESTIONNAIRE (English version)

The purpose of this questionnaire is to gather information regarding factors influencing women in leadership on business performance in family owned enterprises in Thika town.

Confidentiality: All responses provided will be confidential and only used for academic purposes.

### Section A: General Information

i. What industry is the family business?

Small Scale Manufacturing ☐

Private Education ☐

Retail ☐

Construction ☐

Hospitality ☐

Textile ☐

Other \_\_\_\_\_

(Others means businesses that are in two industries at the same time)

ii. Kindly indicate your age

18 – 35 years ☐

36 – 49 years ☐

50 – 60 years ☐

Over 61 years ☐

iii. How long have you worked for this enterprise

Less than 5 Years ☐

6 -10 Years ☐

11 to 15 years ☐

More than 15 years ☐

iv. What is your relationship with the owners of the enterprise

Family member ☐

Non-family member ☐

## SECTION B

### PART 1: Transformational leadership style

Kindly tick the statement that best describes the women in leadership

Key: 1=strongly disagree 2=disagree 3=neutral 4=agree 5=strongly agree

Transformational leadership dimensions 1 2 3 4 5

#### Inspirational Motivation (IM)

- i. The women in leadership in our enterprise communicate the goals and vision with confidence.
- ii. The women in leadership in our enterprise boost our self-esteem which makes us confident as we work.
- iii. The women in leadership encourage us to work as a team.
- iv. The women in leadership reward team effort.

#### Intellectual Stimulation (IS)

- v. The women in leadership solicit for new creative approaches and ideas from us without negatively criticizing our efforts
- vi. The women in leadership reward ingenuity
- vii. The women in leadership encourage us to develop our skills on a continuous basis.
- iii. The women in leadership reward employees who go out of their way to develop their skills.

#### Idealized Influence (II)

- ix. The women in leadership are role models in terms of

persistence

- x. The women in leadership are role models in terms of moral conduct
- xi. The women in leadership encourage us to get committed even to challenging roles

#### Individual Consideration (IC)

- xii. The women in leadership attend to employees individual needs
- xiii. The women in leadership intentionally coach and share knowledge willingly
- xiv. The women in leadership mentor us to take up leadership positions

#### PART 2: Influence of women in leadership on business performance

Below are statements that may highlight the influence of women in leadership on business performance. Kindly tick the most appropriate statement using the key below.

Key: 1=strongly disagree 2=disagree 3=neutral 4=agree 5=strongly agree

##### A. Influence of women in leadership on customer satisfaction

|                        |   |   |   |   |   |
|------------------------|---|---|---|---|---|
| Performance indicators | 1 | 2 | 3 | 4 | 5 |
|------------------------|---|---|---|---|---|

- i. The women in leadership ensure that customers get quality products or services.
- ii. The women in leadership work towards achieving effectiveness in production and ensure that products/services are available to customers with minimal stock-outs.
- iii. The women in leadership ensure that the rate of

response to customers concerns is high.

- iv. Generally, our customers are satisfied with the products and services we offer

B. Staff retention

1 2 3 4 5

- i. The women in leadership recognize employees input and good work.
- ii. The women in leadership assure employees of job security.
- iii. Generally, the employees are satisfied with the leadership

C. Influence of women in leadership on sales volume

Performance indicators

1 2 3 4 5

- i. The women in leadership challenge us to work towards having additional outlets
- ii. The women in leadership are involved in the recruitment of the sales team
- iii. The women in leadership allocate money for marketing and market research which has increased sales volume.
- iv. The women in leadership take setting of monthly sales targets very seriously

Kindly answer part 3 only if you are a woman leader in a the family business

Part 3: Kindly respond to the following questions as honestly as possible.

- a. How many outlets do you have? \_\_\_\_\_
- b. How many employees do you have? \_\_\_\_\_
- c. How many employees have left this year? \_\_\_\_\_
- d. What percentage of your customers are repeat customers? \_\_\_\_\_
- e. How much time do you take to respond to a customer's complaint? \_\_\_\_\_

\*\*\*Thank you for your time and cooperation\*\*\*

## APPENDIX II: INTERVIEW GUIDE (English version)

Dear interviewee,

My name is Naomi Wambui Njau. I am conducting an academic research titled *“Influence of transformational leadership on business performance: a case of family owned enterprises led by women in Thika town.”* The research is in partial fulfillment of the requirement for the degree of Master of Arts in Leadership at Pan Africa Christian University. The study is intended to lead to the improvement of the performance of family owned enterprises. I will take you through the interview questions and request that you feel free to ask for any clarifications.

=====

1. What does your role in the family owned enterprise entail?
2. How do you do to influence your employees?
3. What do you do to motivate your employees?
4. What do you do to stimulate your employees intellectually?
5. How do you give individual attention to your employees?
6. In what ways would you say that your leadership has influenced
  - a. Sales volumes
  - b. Customer satisfaction
  - c. Staff satisfaction
7. How do you ensure that you maintain high performance in your business?
8. Do you have any of these support structures (mentorship, coaching, professional seminars)?  
If yes briefly describe them.

*Thank you for your time and assistance*

DODOSO (Questionnaire Kiswahili version)

Dodoso hili lina nuia kukusanya habari kuhusu uongozi unaoleta mabadiliko katika biashara za kifamilia zinazoongozwa na wanawake.

Habari itakayotolewa itabaki kuwa siri.

SEHEMU YA KWANZA

i. Biashara yako ya kifamilia iko kwenye sekta gani?

Sekta ya viwanda ☐

Elimu ☐

Duka ya rejareja ☐

Ujenzi ☐

Huduma ☐

Ushonaji ☐

Kadhalika (tafadhali fafanua) \_\_\_\_\_

ii. Tafadhali weka alama ya sahihi kuonyesha umri wako

Miaka 18 – 35 ☐

Miaka 36 – 49 ☐

Miaka 50 – 60 ☐

Zaidi ya miaka 61 ☐

iii. Umefanya kazi katika biashara hii kwa miaka mingapi?

Chini ya miaka 5 ☐

Miaka 6 -10 ☐

Miaka 11-15 ☐

Zaidi ya miaka 15 ☐

iv. Kuna uhusiano upi kati yako na wenye biashara?

Jamii moja ☐

Sio jamii moja ☐

## SEHEMU YA PILI

### Uongozi mbadala

Yafuatayo ni maelezo kuhusu aina mbalimbali ya uongozi unaotumiwa na wanawake walio katika uongozi.. Tafadhali weka alama ya sahihi kwa jibu mwafaka

Key: 1=ninakataa katakata 2=Ninakataa 3=Sina jibu 4=Ninakubali 5=Ninakubali kabisa

### Uongozi mbadala

1 2 3 4 5

#### Motisha

- i. Wanawake katika uongozi wanawasilisha malengo na maono kwa ujasiri.
- ii. Wanawake katika uongozi huongeza kujiamini kwetu ambayo inatufanya tujitahidi tunapofanya kazi.
- iii. Wanawake katika uongozi hututia moyo kufanya kazi kama timu.
- iv. Wanawake katika uongozi hulipa juhudi yetu ya kufanya kazi kama timu.

#### Kuchochea kwa Akili

- v. Wanawake katika uongozi hututia moyo tutafuta njia mpya za ubunifu na maoni kutoka kwetu bila kukosoa juhudi zetu
- vi. Wanawake katika uongozi hufahami ustadi
- vii. Wanawake katika uongozi hututia moyo kukuza ustadi wetu mara kwa mara.
- viii. Wanawake katika uongozi hulipa thawabu wafanyikazi ambao hukuza ujuzi wao kibinafsi.

## Ushawishi

- ix. Wanawake katika uongozi ni mfano wa kuigwa katika suala la uvumilivu.
- x. Wanawake katika uongozi ni mfano wa kuigwa katika suala la maadili
- xi. Wanawake katika uongozi wanatuhimiza kujitolea hata kwa majukumu magumu

## Kuzingatia watu binafsi

- xii. Wanawake katika uongozi huhudumia mahitaji ya mtu binafsi
- xiii. Wanawake katika uongozi wanaokusudia kuwa mashauri wa wafanyi kazi
- xiv. Wanawake katika uongozi wanatufundisha kuchukua nafasi za uongozi siku za usoni

## SEHEMU YA TATU:

Sentensi zifuatazo zaelezea juu ya ushawishi wa viongozi wanawake katika utendaji wa biashara.

Tafadhali weka alama ya sahihi kwa jibu mwafaka

Key: 1=ninakataa katakata 2=Ninakataa 3=Sina jibu 4=Ninakubali 5=Ninakubali kabisa

### A. Kuridhika kwa wateja

Viashiria vya utendaji

1 2 3 4 5

Wanawake walio katika uongozi huhakikisha kuwa wateja wanapata bidhaa na huduma bora

Wanawake katika uongozi wanahakikisha kwamba bidhaa / huduma zinapatikana kwa wateja kila wakati

Wanawake katika uongozi wanahakikisha kwamba mda wa kutatua malalamishi ya wateja ni mfupi

Kiwango cha wateja wanaorudi mara kwa mara kufanya

biashara nasisi ni cha juu zaidi

Kwa ujumla, wateja wetu wanaridhika sana na bidhaa na huduma tunayotoa

**B. Ushawishi wa wanawake katika uongozi juu ya kuridhika kwa wafanyakazi**

Viashiria vya utendaji 1 2 3 4 5

Wanawake katika uongozi wanatambua mchango wa wafanyakazi na kazi nzuri.

Wanawake katika uongozi huhimiza mafunzo ya wafanyakazi mara kwa mara ili kuboresha huduma yao

Wanawake katika uongozi huhakikishia wafanyakazi usalama wa kazi.

Wanawake katika uongozi wanahakikisha kua kiwango cha wafanyakazi wanaoacha kazi ni wachache zaidi

Kwa kawaida, wafanyakazi wanafurahishwa sana na uongozi wa wanawake.

**C. Ushawishi wa wanawake katika uongozi juu ya kiasi cha mauzo**

Viashiria vya utendaji 1 2 3 4 5

Wanawake katika uongozi wanatuhimiza kufungua maduka au vibanda vingi

Wanawake katika uongozi wanahusika katika ajira ya timu ya mauzo

Wanawake katika uongozi hutia maanani utafiti wa soko ili kuongeza idadi ya bidhaa/huduma.

Wanawake katika uongozi humakinika katika mauzo kila wezi

Tafadhali jibu sehemu ya 4 kama wewe ni kiongozi mwanamke katika biashara ya jamii

**SEHEMU YA NNE** Tafadhali jibu maswali yafuatayo kwa uaminifu

1. Una maduka/vibanda ngapi? \_\_\_\_\_
2. Una wafanyi kazi wangapi? \_\_\_\_\_
3. Wafanyi kazi wangapi wameacha kazi mwaka huu? \_\_\_\_\_
4. Kiwango cha mauzo yako kila mwezi ni ngapi? \_\_\_\_\_

5. Ni asimilia gani ya wateja wako hurudi kila mwezi?\_\_\_\_\_
  6. Unatumia mda upi kutatua malalamishi ya wateja wako?\_\_\_\_\_
- \*\*\* Asante kwa muda wako na ushirikiano \*\*\*

### APPENDIX III: MAHOJIANO (Interview guide Kiswahili version)

Mpendwa mhojiwa,

Jina langu ni Naomi Wambui Njau. Ninafanya utafiti wa kitaaluma ulioitwa "Ushawishi wa uongozi wa mabadiliko juu ya utendaji wa biashara: Uchunguzi wa biashara za familia zilizoongozwa na wanawake katika mji wa Thika." Utafiti huo unafanikisha sehemu ya shahada ya mwalimu wa sanaa katika uongozi katika chuo kikuu cha Pan Africa Christian university. Utafiti huo una lengo la kuboresha utendaji wa makampuni ya biashara inayomilikiwa na familia. Majibu yako kwa usiri mkubwa.

=====

1. Jukumu lako katika biashara inayomilikiwa na familia inahusisha nini?
2. Je, unafanya nini ili uwe kiongozi wamabadiliko kwa wafanyakazi wako kuhusiana na vipimo vifuatavyo? Tafadhali eleza jinsi unavyofanya.
  - a. Ushawishi
  - b. Kuhamasisha
  - c. Kuwahamasisha akili
  - d. Kuwapa tahadhari ya mtu binafsi
3. Je, ni kwa njia gani uongozi wako umeongeza
  - a. Mauzo ya bidhaa au huduma
  - b. Kuridhika kwa wateja
  - c. Kuridhika kwa waajiriwa
4. Je, ni masuala gani ya kitamaduni ya kipekee ambayo huwa changamoto katika uongozi wako?
5. Unashughulikia migogoro ya kazi na familia kiviipi?
6. Je, unahakikishaje kwamba utendaji wa juu katika biashara yako unafanyika?
7. Je, una miundo hii ya msaada (ushauri, kochi, semina za kitaaluma)? Tafadhali eleze kwa kifupi.
8. Ungewapa ushauri gani wanawake wachanga katika uongozi wa biashara zinazomilikiwa na familia ili kuboresha utendaji wa biashara?

*Asante kwa muda na usaidizi wako*

## APPENDIX IV: INTRODUCTION LETTER FROM PAC UNIVERSITY

27<sup>th</sup> May, 2019



P.O. Box 56875 - 00200  
Nairobi, Kenya  
Lumumba Drive, Roysambu  
off Kamiti Rd, off Thika Rd  
Tel: 0734 400694/0721 932050  
Email: [enquiries@pacuniversity.ac.ke](mailto:enquiries@pacuniversity.ac.ke)  
website: [www.pacuniversity.ac.ke](http://www.pacuniversity.ac.ke)

### TO WHOM IT MAY CONCERN

Dear Sir/Madam,

**RE: NAOMI WAMBUI NJAU REG. NO. MALD/8241/0/16**

Greetings! This is an introduction letter for the above named person a final year student at Pan Africa Christian University (PAC University), pursuing a Master of Arts in Leadership.

She is at the final stage of the programme and she is preparing to collect data to enable her finalise on her thesis. The thesis title is **'Influence of Transformational Leadership on Business Performance: A Case of Family Owned Enterprises led by Women in Thika Town'**.

We therefore kindly request that you allow her conduct research at your organization.

Warm Regards,

Dr. Lilian Vikiru  
Registrar Academics

PAN AFRICA CHRISTIAN UNIVERSITY  
P.O. Box 56875, NAIROBI - 00200.  
TEL: 0561820/8581945/2013346

27<sup>th</sup> May, 2019

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*Where Leaders are Made*

## APPENDIX V: RESEARCH PERMIT

|                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                           |
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| <p>This is to Certify that Ms. Naomi Njau of Pan Africa Christian University, has been licensed to conduct research in Kiambu on the topic: <b>INFLUENCE OF TRANSFORMATIONAL LEADERSHIP ON BUSINESS PERFORMANCE: A CASE OF FAMILY OWNED ENTERPRISES LED BY WOMEN IN THIKA TOWN</b> for the period ending : 25/September/2020.</p> |                                                                                                                                                                                                           |
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