

Effect of Leadership on Employee Performance in Rwanda Revenue Authority

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Abstract

The general objective of this research study was to assess the effect of leadership on employee performance in Rwanda Revenue Authority. The study used a multiple linear regression model. This study used a descriptive research design since it provides a researcher with first-hand primary data that is collected, maintained, and analyzed for the research goals. The current research was compassed by the following specific objectives: To establish the effect of leadership personality on employee performance at Rwanda Revenue Authority; To examine the effect of leadership styles on employee performance at Rwanda Revenue Authority; To analyze the effect of leaders' competency on employee performance at Rwanda Revenue Authority; To analyze the influence of leaders' commitment on employee performance at Rwanda Revenue Authority. The target population in this study was 1248 who are staff at Rwanda Revenue Authority (RRA). The researcher used purposive sampling. The sample size of the study was 269 Rwanda Revenue Authority staff selected from the known population of 1248 staff. Simply, in this study data was collected from both primary and secondary sources. The researcher distributed 269 questionnaires to the respondents, however, 265 respondents submitted in their responses while 4 respondents did not submit their responses. 56.2% of respondents strongly agreed that leaders at RRA are considerate when dealing with subordinates which motivates staff to work and meet deadlines, 31.7% agreed with the statement, none of respondents were undecided, and 8.7% disagreed with the statement while 3.4% strongly disagreed with the statement. About the second item, 25.7% of respondents strongly agreed that leaders at Rwanda Revenue Authority live a life of integrity at work and outside work which ignites workers to provide a quality work; 27.9% agreed with the statement, 14.7% were undecided, 24.2% disagreed with the statement while 7.5% strongly disagreed with the statement. 62.3% agreed with the statement that leaders at RRA use transformational leadership style to assist employees meet deadlines, 3.8% of respondents were undecided, and 32.8% disagreed with the statement while 1.1% strongly disagreed with the statement. Moreover, 12.1% of respondents strongly agreed that transactional leadership is used in Rwanda Revenue Authority by leaders and have contributed to quality of work; 86.8% agreed with the statement, none of respondents were undecided, 1.1% disagreed with the statement and none of respondents strongly disagreed with the statement. 64.5% agreed with the statement that leaders at RRA exhibit work expertise which makes also employees to excel in meeting deadlines, none of respondents were undecided, and 11.7% disagreed with the statement while 23.8% strongly disagreed with the statement. Likewise, 32.5% of respondents strongly agreed that leaders at Rwanda Revenue Authority are results oriented which also encourages all employees to strive for achieving departmental goals; 67.5% agreed with the statement, none of respondents were undecided, none of respondents disagreed with the statement and none of respondents strongly disagreed with the statement. The researcher used questionnaire as data collection instrument. SPSS version 23.00 (Statistical Package for Social Scientists) was used to analyze the coded data.

Introduction

The evolution of leadership and how it affects performance dates as early as the 17th century (Cole 2021). From the end of 17th century we started experiencing different treatment of employees from treating them as human machines to rather treating them as human capital for achieving different organizational goals and objectives. Leadership is the pattern of behavior within the leader and sometimes the management as the ruling apparatus in an organization setting (Salin & Helge, 2020). This involves the pattern in leadership on

decision making, showing directions, implementation and execution of plans, motivation of the people to pursue certain desired goals and objectives to be achieved (Salin & Helge, 2020). The styles are several and they fit and being applied in different settings and environment such as politics, business, military, administration, management, and other related discourse depending on the goals and objectives to be achieved and realized (Erben & Gul, 2019).

Globally, In Turkey most of the organizations sought to adopt appropriate leadership style in order to compete in the business market. It is clear that until today many organizations are continuously looking for new ways and methods of development, especially in the administrative aspects, which can assist in achieving effectiveness and efficiency of organizational goals (Al-Metheb, 2020). It was propagated that in order to achieve business efficiency and economic development, organizations must adopt various leadership styles which include transformational, laissez faire, autocratic and transactional leadership styles (Wammy, 2021).

This is evident in a way that Salin and Helge (2010) suggests that performance of any organization whether public or private; business or non-business provided that it is a formal entity with goals to be achieved; leadership pattern of style in place is the one which may drive the entity to performance or downfall. Besides that, Woods (2010) also states that performance of the employees in any setting is likely influenced by the organization pattern of leadership in place. This necessitates also the need to wage an inquiry on the specific context in line with employees' performance as a result of leadership style.

In Spain, Hothouse (2020) states that, Leadership is one of the most important areas in the organizational management. In addition, leadership is a process whereby an individual influences a group of individuals to achieve a common goal. Ethe et al., (2012) also defined that leadership is the ability of a person who can influence the behaviors or actions of other people for the purpose of achieving goals and to maximize outcomes in the organization. Good leadership is essential to an efficiency and effectiveness of the organization.

In China, Leadership is considered a major key in the performance of employees and the economy in general. The behaviors of a leader can effect on employees' feeling about the organization and job satisfaction and their performance. Employees will leave the organization when they are not satisfied with their job. (Chui 2020). Every organization tries to hire talent employees by providing better opportunities to attract them as they are source of competitive advantages. Michael (2019) pointed out that employee retention is one of the major problems facing by managers in organizations as a result of the shortage of skillful manpower, economic growth and high employee turnover. Therefore, retention of high performance employees is a challenge as they are center of attention at every workplace.

In Malaysia, Further study on influence of leadership on performance of employees was conducted on the hotel industry by Ipas (2012). Ipas (2012) researched on the influence of leadership styles on the performance of employees to meet the desired results in hotel industry; he found that autocratic leadership style is perceived as being the most used style by the managers and is the one which positively influences employees' performance. Many of the employees were very much satisfied with autocratic leadership which influenced them to work very diligently in order to meet the organization needed results. They also stressed the fact that managers must find the good solution in order to help the employees to increase their individual performance.

In Africa, countries in our region such as Tanzania and Uganda have embarked on the effect of Leadership on the performance of employees in all sectors of the economy.

Tanzania in particular, there are various organizations both public and private operating in different scope of operations such as local, national, sub-regional, regional and others international as multinational corporations and or entities (Wairagala, 2022). The organizations vary in terms of performance that private entities have been performing well in terms of advancing, growing and realizing the set goals and objectives than the public organizations (Skinner, 2019). This has been the situation in Tanzania in various sectors such as education, health, telecommunication and others where there have been ventures with private entities in the industry (Harper, 2020). Outcomes have been open for a long time and many years that private sector

has been performing well than the public organizations (Harper, 2020). This has been a major problem and concern in Tanzania to the extent that it has become a value in form of belief that in some sectors to grasp the goodies and benefits private entities are better to be pursued and get the gains than the public ones such as schools, hospitals and other sectors (Skinner, 2019). The situation has been persisting and escalates in various sectors. This has rose concerns on the patterns of leadership style(s) employed in the sectors in relation to the performance outputs by the employees and the entities as a whole.

In Uganda, Doreen Adongo in 2020 investigated the role of leadership styles on employee performance, a case study of Infocom Limited in Kampala. The study objectives were; to examine the role of autocratic leadership style on employee performance, to find out the role of democratic leadership style on employee performance and to establish the role of laissez faire leadership style on employee performance in Infocom Limited. In Infocom, there is lack of appropriate communication and consultation channels, clear strategies and vision stated, commitment, effective office planning and decision making for heads of departments on how fiber cables should be laid this led to high client churn rate reports, the rate of labour turnover reports, customer care reports showing numerous customer complaints, targets are not met on time and sometimes delays in resolving technical network issues.

In Rwanda, leadership is central to the success of the country in all sectors. Promoting and getting it right has a significant bearing on political, social and economic growth and the way that a given Country performs in all sectors. Without a strong Leadership can't ever achieve any positive outcomes on related political, economic and social objectives of any political community and yet it is an imperative. The significance of leadership is seeing in the fact that good leadership sets the strong stone of foundation and standard of governance. (NDAGIJIMANA Ibrahim 2020). Findings reveal that, for a long time, Rwanda was marked by bad governance based on dictatorship, politic of fear, segregation and exclusion of the people in the governance of their own country.

Another study was done in energy industry; this study was conducted by Murisa (2020) in Rwanda. This study was about the influence of leadership styles on the performance of employees in order to meet the desired results in their organization. This study was conducted Rwanda Governance Board (RGB). The results of their study were that "transformational leadership style exerts effective results in employee's performance because it motivates employees to go beyond ordinary expectations with high morale and reach planned goals very easily. It is recommended that Transformational leadership style is effective and appropriate for organizations and institutions that wish to compete successfully and mentor subordinates who will be managers of tomorrow to keep the flag of hope flying for the Organization hence bring long rusting success of an Organization and prosperity for the employees. Leadership topic has been the area of interest to study and research for different groups of people who include academicians, managers, decision makers and practitioners since recent decades as determinant factor on employee behavior and performance towards achievements of organizational goals.

Leadership is an important aspect in promoting and influencing performance of the employees in organizations for reasonable and acceptable outputs. This is because they shape patterns of behavior, attitude and culture within the practitioners in organizations which have impact on performance (Reimer, 2020). All organization functions and capabilities strongly depend on the leadership in place with style(s) existing in place to foster the realization of the goals and objectives with significant contribution on performance (Salin& Helge, 2020). In Rwanda, many organizations are facing the challenge of retaining their highly resourceful employees. As Organizations are operating in highly competitive environment, it is very important to retain their highly performance employees in order to achieve competitive advantages within the industry (Martindale, N. (2011). In RRA, employees receive allowances, bonuses, leaves among others but due to the fact that there might be some leaders in Rwanda Revenue Authority who were not able to exercise Leadership motivation techniques such as Rewards, Timely compensation and other related monitory remunerations. Employees also have access to payments structures from other organization which make makes them wanting to gain more money through being corrupt and engaging in other malpractices. (Esther 2017). Therefore, due to above still there is a lot of complaints and facts about the inefficiency performance of the RRA staff due to much work load, less pay compared to the work done which leads to high staff turnover poor attitudes to work, low output level, corruption and low productivity where by forty-

eight (48) cases connected with corruption, tax evasion, unjustified increase of wealth and other malpractices such as insubordination and tarnishing RRA image. (Esther 2017). Since the leadership of Rwanda Revenue Authority could not detect the malpractices of staff, it contributed to the corruption whereby 19 cases were about officers accused of corruption and assisting tax evaders to avoid duties and taxes, 7 cases were about officers accused of embezzlement of government collected revenues, 7 cases were about officers accused of negligence that led to loss of revenues, 6 cases were about officers accused of tarnishing RRA image and poor customer care, 6 cases were about officers accused of unjustified increase of wealth and 3 cases were about officers who failed to obey instructions set by the administration. In the concluded and reported cases, forty eight (48) RRA staff were summoned and investigated. Those found guilty and dismissed were eighteen (18), and twelve (12) officers were acquitted. The remaining eighteen (18) officers received reprimand, last, first and oral warnings (Esther 2017). Of recent, in the fiscal year 2021-22, RRA registered disciplinary cases whereby 22 staff involved in malpractices and disciplinary measures were taken for 22 RRA employees. 9 of these were found to be without guilt, 2 were given warning letters, and 11 were dismissed. The 22 staff members' cases involved the following malpractices: Deliberate violation of the tax audit process and procedures, making fictitious payment on statements of offences, receiving illegal gifts from taxpayers, unauthorized use of RRA vehicle, involvement in fraud activities, unauthorized issuance of tax clearance certificate, unauthorized issuance of entry card, involvement in undervaluation malpractices. (RRA 2022). Given that RRA staff have been baptizing themselves in unprofessional habits such as corruption and tax evasion, there is a need to assess the leadership styles, leadership personality, leadership commitment and leadership competence under which the staff operates and which kind of guidance given to them by their leaders. It is therefore from this background that the current research aims at evaluating the effect of leadership on employee performance in Rwanda Revenue Authority.

Literature

Leadership is the process of influencing others to understand and agree about what needs to be done and how to do it, and the process of facilitating individual and collective efforts to accomplish shared objectives. Northouse (2020) interpreted leadership as “a process whereby an individual influences a group of individuals to achieve a common goal”. In the book of Business Essential (2021) a leader's style of leading can affect the motivation, efficiency and effectiveness of the leader's followers. Then, Rowe and Guerrero (2020) stated that leadership is about influence the ability to influence your subordinates and your peers in a work or organizational context. Without influence, it is impossible to be a leader. Of course, having influence means that there is a greater need on the part of leaders to exercise their influence ethically. According to Dubrin (2019), the leader has the ability to inspire confidence and support among the people who are needed to achieve organizational goals. Porter et al., (2006) described that leaders get things done through people.

According to Michael (2020) leadership has a direct cause-effect relationship upon organizations and their success. Leaders determine values, culture, change tolerance and employee motivation. They shape institutional strategies including their execution and effectiveness. It should be stressed that leaders can be found at any level of an institution and are not exclusive to management. Successful leaders do, however, have one thing in common. They influence those around them in order to reap maximum benefit from the organization's resources, including its most vital and expensive human resources/capital. This success can only be achieved and probably sustained in organizations where appropriate leadership style or styles are employed at a given time. Leadership is also a process which involves the use of non-coercive influence to shape a group or organizational goals, motivate behavior towards achieving the goals as well as define the group's culture (Northouse, 2019).

Employee performance

Employee performance is defined as how well a person executes his/her job duties and responsibilities. Many companies assess their employees' performance on an annual or quarterly basis to define certain areas that need improvement and to encourage further success in areas that are meeting or exceeding expectations. (McLucas 2020). Performance continues to be a key issue among organizational researchers and employees are bound to perform well where they are treated well (Haque, Faizan, & Cockrill, 2019; Barney, 2020). Janvier (2018) has asserted that performance is equivalent to the famous 3Es (economy, efficiency, and

effectiveness) of a certain program or activity. However, according to Daft (2020), organizational performance is the organization's ability to attain its goals by using resources in an efficient and effective manner. Quite similar to Daft (2020), Ricardo & Wade (2019) rather define organizational performance as the ability of the organization to achieve its goals and objectives.

Performance

Rotundo and Rotman (2002) defined that job performance was defined as actions that contribute to organizational goals and that are under the individual's control. According to Otley (2019) performance in organizations can be in organizational performance and job performance. Employee performance is also known as job performance. Otley (2019) also stated that, the performance of organization depends on the performance of employees (job performance) and other factors such as the environment of the organization. A good employee performance is necessary for the organization, since an organization's success depends on the employee's creativity, innovation and commitment (Ramlall, 2020 Macky and Johnson (2020) pointed that improved individual employee performance could also improve organizational performance as well. The performance of an organization as a whole determines its survival. According to this, the researcher can say that performance of individual contributes to departmental success and consequently departmental success determines the organizational success. Therefore, individual performance is highly important for an organization as a whole.

Leadership Personality

The leadership Personality and capability can influence to motivate and improve the individual employee work performance. Being analytical, driver, amiable, and expressive. Each of these personality types exhibit general characteristics, strengths, and weaknesses and need to be managed and communicated with in subtly different ways. The nature of the organization may have an effect in developing and shaping the leadership style and motivating the employees. Leaders influence other people for the purpose of achieving the organizational goals. Therefore, the behavior of leader has an effect on the work outcomes, on the way tasks are completed. That is why, leadership style will be important to improve the individual employee work performance. The successes of the organizations highly depend on the quality and effectiveness of employee work performance. Babatunde and Emem (2021) approved that the leadership styles that adopted by a manager in an organization have strongly impacted the performance of employees. Effective Leader must retain talented employees to achieve organizational goals by improving their performance. Opatha (2014) stated that talent employees are the core competency of organization. The staff cannot imitate other people from outside the organization but leaders in an organization.

Leadership styles.

The term is also viewed in various ways such that Woods (2010) view leadership style as the pattern of management and exercising authority in an entity for the purpose of achieving certain set goals and objectives for certain gains. It comprises management system pertaining to leadership of the entity for the performance of the organization. Besides that, Saxena (2019) perceives leadership style as the management pattern which comprise of the modality which the organization leads the practitioners towards realization of the goals and objectives. The definition coincides with the study in a way that the perception by Wood (2020) is well connected with the study.

Leadership competency

Leadership competencies are leadership skills and behaviors that contribute to superior performance. By using a competency-based approach to leadership, organizations can better identify and develop their next generation of leaders. Competency in leadership is an approach that shows dedication to an organization and its employees. Committed leaders devote their efforts to forwarding a company's values and goals by investing time in pursuing the needs of the organization and other team members. Strong leadership practices are relevant to any workplace. (Peterson 2021). Henry D (2021) states that Leaders who prove their commitment to an organization and team members can positively impact those they lead. Jackson (2022) argues that understanding more about what commitment in leadership means and how it can be applied in the workplace can help grow your skills as a leader. Commitment in leadership is an approach that shows dedication to an organization and its employees. Committed leaders devote their efforts to forwarding a

company's values and goals by investing time in pursuing the needs of the organization and other team members. Commitment in leadership also involves a consistent attitude of achievement and a willingness to participate in activities that strengthen an organization. Jackson (2022). Committed leaders seek to train others with key principles and encourage leadership growth in others.

Leadership Commitment.

Commitment in leadership is an approach that shows dedication to an organization and its employees. Committed leaders devote their efforts to forwarding a company's values and goals by investing time in pursuing the needs of the organization and other team members. Leadership commitment is the desire to become better connected, more committed, and more capable today than you were yesterday. Schultz, D. (2010). It is the willingness to learn continuously and perhaps more importantly, to accept being taught. All great leaders possess this attribute. Leadership is a matter of intelligence, trustworthiness, humaneness, courage, and discipline, Reliance on intelligence alone results in rebelliousness. Schultz, D. (2010). Exercise of humaneness alone results in weakness. Fixation on trust results in folly. Dependence on the strength of courage results in violence. Excessive discipline and sternness in command result in cruelty. When one has all five virtues together, each appropriate to its function, and then one can be a leader. Leadership commitment inspires and attracts people. Schultz, D. P. & Ellen, S. S. (2010).

Theoretical Review

The theoretical literature review help establish what theories already exist, the relationships between them, to what degree the existing theories have been investigated, and to develop new hypotheses to be tested. The following theories have been found important for the current research: Behavioral theory, Theory X and theory Y, Contingency theory and Transformational and transactional theory.

Behavioral theory

Behavioral management theory is a management concept that studies how performance in an organization can be managed by concentrating on the things that motivate the workforce. Employees in the workforce are motivated by different things. Some steer toward intrinsic motivators, and some gravitate toward extrinsic ones. Behavioral management theory establishes that employees' performance can increase when they feel taken into account by their employers. Discover how managers and employers can use this theory to build strong relationships with their employees that lead to an increase in their motivation and performance. (Kat Kadian 2021). This theory suggests that trained leaders are better than born leaders hence contradicting to trait theory which suggests that born leaders are better than trained leaders. People do not work in isolation they always observe the conduct of others and observe the occasions on which it is rewarded or punished. They can therefore benefit from observed consequences and sometimes from their own experiences (Bandura, 1971). This theory has been considered important to the current study because the theory is often called the human relations movement because it addresses the human dimension of work. Behavioral theorists believed that a better understanding of human behavior at work, such as motivation, conflict, expectations, and group dynamics, improves productivity.

Theory X and theory Y

Theory X works on the idea of punishing people to keep the work going, while under theory Y, promotions, rewards, and recognition play an important part. This keeps employees motivated to work hard towards achieving goals of the organization and their own performance. Douglas (2013) pointed out that in theory X employees are mainly motivated by receiving monetary gifts like money and other fringe benefits (Douglas, 2013). It was further pointed that many of human beings prefer to be directed and avoid responsibilities but prefer to have security. Due to this unsatisfactory attitude most employees' characteristics should be controlled and directed through punishments in order to sensitize them to have the habit of achieving organizational objectives. Generally, theory X is much associated with management styles but not leadership styles known as scientific management (Ford, 2010). It was further pointed out that success of leader and employees depends upon a good number of factors, including the leader's preferred leading style, the capabilities and behaviors of the subordinates and situational characteristics (Cheng,2002). Effective leadership requires adapting one's style of leadership to situational factors, and control is conditional on three factors namely, the relationship between the leader and subordinates, the degree of the task structure

and the leaders' authority and power. On the other hand, Theory Y is opposite with Theory X and perceives employees to be motivated, keen to take greater accountability and employees will exercise both self-control and direction towards performance objectives provided to them and that commitment is a function of the incentives and rewards associated with the achievement of those goals. The employees will exercise their imagination, ingenuity, creativity and innovation in solution of problems in their jobs (Porter et al., 2006). The theory is important to the current research study since the Theory X explains the importance of heightened supervision, external rewards, and penalties, while Theory Y highlights the motivating role of job satisfaction and encourages workers to approach tasks without direct supervision.

Transformational and transactional theory.

Transformational leaders challenge employees to change their ways of working to be more innovative when faced with challenge. Transactional leaders however, maintain the same situation and meet challenges by increasing the efficiency and performance of existing work processes (Bass & Avolio, 1990). These theories focus on the roles played by supervisors, roles played by organization and group performance and they categorized leadership on a system of rewards and punishments for meeting particular objectives. In Transactional theory, rewarding or punishing the subordinate depends on the performance of the employee. Transactional theory based on contingent rewards, use of punishments, action focused; make promise for outcomes (Bass, 1985). Transactional leaders attempt to meet the current needs of their subordinates through bargaining and exchanging. Both leaders and followers focus on achieving the negotiated performance level. Transformational theories focus upon the connections formed between leaders and followers. Transformational leadership is the leader's ability to motivate followers to rise above their own personal goals for the greater good of the organization (Drodge, 2004). The theory is connected to the study since it calls for leaders to challenge employees to change their ways of working to be more innovative when faced with challenge. Transactional leaders however, maintain the same situation and meet challenges by increasing the efficiency of existing work processes (Bass & Avolio, 1990).

Contingency theory

Contingency theory states "that a leader's effectiveness is contingent on how well the leader's style matches a specific setting or situation" (Wolinski, 2010). If leaders are successful in the roles they play, then it is considered a perfect match and the performance of employees increase. Contingency is the one through which the leader competence is determined by the interaction between the leader's personal characteristics and aspects of the situation. Contingency theories are based on the assumption that leadership style depends on the prevailing organization situation (Cheng and Chan, 2002). It was pointed in contingency theory that there no best way for leaders to lead but it depends on the situation (Fiedler, 2009). The particular situation will determine the type of leadership style that can lead to the positive expected results. One leadership style may fit to particular situation but may not result to desired results in the other particular situation. It was further pointed out that success of leader and employees depends upon a good number of factors, including the leader's preferred leading style, the capabilities and behaviors of the subordinates and situational characteristics (Cheng, 2002). Effective leadership requires adapting one's style of leadership to situational factors, and control is conditional on three factors namely, the relationship between the leader and subordinates, the degree of the task structure and the leaders' authority and power. The contingency theory explains that situational factors can affect the relationship between dependent and independent variables in the study of organizational behavior. The two contingency variables that can affect an organizational structure are dependent and independent variables

Empirical Review

Leadership Personality and employee performance

In Spain, David G. Winter (2021) conducted a study on Leadership Personality Characteristics and Foreign Policy. His study was guided by the following objectives: 1. identifying the type of leader who generates the job satisfaction among his employees; 2. identifying the relation between facets of leadership and personality features of the leader; 3. correlating the leadership styles with the degree of professional performance. Data was collected between February and April of 2013. The study adopted an exploratory design and is part of a longitudinal study which started in 2011 and is still being conducted. In his findings, stated that; considering of today's unstable economic environment requires the organization to have

proactive and committed employees in performing higher standard of job performance in order to successfully survive and compete with other competitors. Employees' performance is one of the crucial elements that provide both goals and methods to achieve organizational mission. In view of this, effective leadership plays an important role on how the leaders response to employee in the working environment. Leaders who have an understanding of how individuals' personalities differ can use this understanding to improve their leadership effectiveness and lead to improve employees' performance. Therefore, based on his findings, the researcher finds it as a reliable source for the ongoing study. The findings of this study revealed that leader's personality traits are closely related with employees' performance of which the current study is also trying to find out in Rwanda.

Leadership Styles and employee performance

In India, Amir Hussein Shah (2019) conducted a Review of Literature on Leadership Styles and Employee Performance. He asserted that: The performance of employees is the outcome of individuals' behaviors which contributes to the realization of institutional objectives. At present, the researchers count many factors for refining the performance of employees. These include the leadership, work conditions, co-worker relationships, promotion, wages, job security, personal characteristics supervision, motivation, equality, personality factors and structure of organization (Smerek & Peterson, 2006). There is a need to improve the employees' performance to bring a significant change by the acceptance of mechanisms to enhance the performance of the institutions (Salman, Riaz, Saifullah & Rashid, 2011). Owing to its popularity, transformational leadership occupies high standing among all the leadership theories. In the prevalent situation, the success of this leadership style is due to the close proximity in all respects between the leader and his/her followers. The layout of this leadership style mainly rests upon the level of trust and motivation leading to a decentralized system where an individual can perform to his/her maximum beyond the personal interests what so ever (Udoh & Agu, 2012). The leaders' ability to accurately practice transformational style in managing the organizational tasks may affect the performance of employees. By way of leading employees, leaders with transformational leadership can be characterized as ideally influencing, inspiring employees' motivation, encouraging intellectual stimulation and having individualized consideration (Tahir, Abdullah, Ali & Daud, 2014). Unlike the transformational leadership that works on the popular will with utmost flexibility, transactional leadership does what is written in black and white. However, the researcher finds it questionable to the extent that, not always transformational leadership styles succeed in transforming all employees and some can even decide not to transact and follow guidance. Therefore, the ongoing research study seeks to find out exactly how transformational leadership styles can affect employee's performance in Rwanda with a case of Rwanda Revenue Authority.

The transactional leadership specifies the bond between employees and leaders in terms of exchanges of psychological and economic values. The transactional leaders generally focus on how to develop and sustain the performance standards, how to minimize conflict to specific actions, how to substitute one goal for another and how to enforce decisions (Saqib, Irfan, Qamar & Farooq, 2015). These leaders involve their followers in an affiliation of shared dependency in which the influences of both sides are recognized and pleased. Transactional leaders are effective in these situations because doing what the leaders do is in the best interest of the employees. Active transactional leaders repeatedly realize the hopes of their followers (Chandra & Priyono, 2016). Therefore, transactional leadership is very much dependent upon the abilities of leaders to meet and respond to the responses and altering prospects of their followers/employees. The transactional leadership is an outcome of extrinsic motivation, contingent reinforcement and passive direction of employees towards peculiar performances.

In Kenya Onyango (2015) studied on the effects of leadership style on employee performance at Bank of Africa Kenya Limited, he found that Transformational leadership style positively predicts employee performance. In Kenya Gimuguni (2013) researched on the influence of leadership style on employee performance in Uganda local Government authorities, the results show that most of the employees' performance is influenced by transactional leadership style. Most of the employees are influenced with transactional leadership for the case when there are the set agreements of performance and required performance indicators and the outcome of the results when one performs according to the agreements. This type of leadership greatly influences employees and builds trust among employees and leaders hence leading to successfully meeting organizational goals.

Leadership competency and employee performance

In Uganda, Luke Okello (2019) conducted a study about leadership competencies and employees performance in higher institution of learning. The study focused on establishing the relationship between leadership competencies and employee performance in higher institutions of learning, a case of Kyambogo University. It covered 5 years starting from 2013—2017. The study was guided by the following objectives: To establish the effect of conflict resolution skills on employee performance at KYU; To determine how communication skills influence employee performance at KYU; and, to explore the relationship between motivation skills and employee performance at KYU. A cross-sectional design was employed using both qualitative and quantitative approaches in order to collect detailed data. Both simple random sampling and Purposive Sampling techniques were applied to select respondents and key informants. He further stated that; (Luke 2019). The failure to offer comprehensive rewards to employees creates a negative strand on their performance behaviors and patterns which by implication negates their effective and efficient delivery of services suited to their job description. The sound leadership competencies help leaders to cover gaps and neutralize employee deficiency and set their pace to thrive in executing their designated core job functions in the institution setting. Henceforth, leadership competencies should be reflected on specific needs of employees with prospects of inspiration to achieve high. There is need to ensure regular and consistent feedback is provided to give direction and guidance to subordinates. Provision of positive feedback energizes subordinates and ignites their cordial application of skills and correction of mistakes if any (Luke 2019). From the findings of Luke okello, it is obvious that Leaders who are competent can lead to the increment on employee's performance in any organization. The current research seeks to find out the details of his findings in Rwanda Revenue Authority.

Leadership Commitment and employee performance

The concept of Leadership commitment as defined by Mowday et al. (1979) and Meyer et al. (1989) is the devotion and willingness of leaders to achieve organizational goals. According to Clark et al. (2009), commitment in the service organization is to deliver high service quality and satisfied customers. Leadership Commitment has already been recognized in previous literature as an essential determinant of service quality (Ahmed and Parasuraman, 1994; Hartline and Ferrell, 1996; Babakus et al., 2003). Furthermore, Leadership Commitment is essential in the workplace (Bass and Stogdill, 1981; Hartline and Ferrell, 1996; Khalid et al., 2016). Previous scholars have documented that Leadership Commitment is crucial for service organizations because these organizations rely on Leadership Commitment and dedication (Tosi and Mero, 2003; Pahi and Hamid, 2015; Pahi et al., 2020).

An individual employee's commitment is expressed through his or her willingness to deliver the best service quality and work beyond the organization's requirements. In other words, employee commitment reflects the level of trust, loyalty, and extra efforts put in by the employee on behalf of the organization. According to Mathieu and Zajac (1990); Peccei and Rosenthal (1997); Oentoro and Popaitoon (2017), and Schwepker et al. (2019), employee commitment refers to employee engagement in a never-ending process and putting extra effort into their work. During the service encounter, leadership and supervisors could not control their employee's actions and behavior toward customers, such as the willingness of frontline employees to satisfy customers and enhance business performance.

In Rwanda Umuganwa Delphine (2019) conducted a study on the effect of Transformation Leadership on Project Performance with emphasis on Leadership creativity. She asserted that; Leaders can successfully encourage organizational creativity and innovation by designing the organization to foster an environment that is conducive for creativity to flourish. Leaders can do this by building friendly and inclusive working conditions for the members of the organization. Creativity enables leaders to meet the ever shifting challenges of an unpredictable future. Creative leaders drive innovation and productivity, enabling companies to come up with leading edge products and services and foster success. (Umuganwa D 2019) Innovative leadership is a style of leadership that involves applying innovation and creativity to managing people and projects. Innovative leaders often inspire productivity in new ways and through different approaches than have typically been used and taken. Some of researchers on the topic include Chance Rugaju (2019) who studied leadership styles and its impact on employee's performance in health sector of Rwanda and concluded that transformational leadership styles have more positive effect on employee

performance than transactional leadership. Many of the researchers' results show that transformational leadership can perform better in highly organic environment where focus is on competitive advantages. Further stated that employee performance is influenced by both transactional and Transformational leadership style but they didn't identify whether there is positive relationship or negative relationship between transactional and Transformational leadership styles.

Conceptual Framework

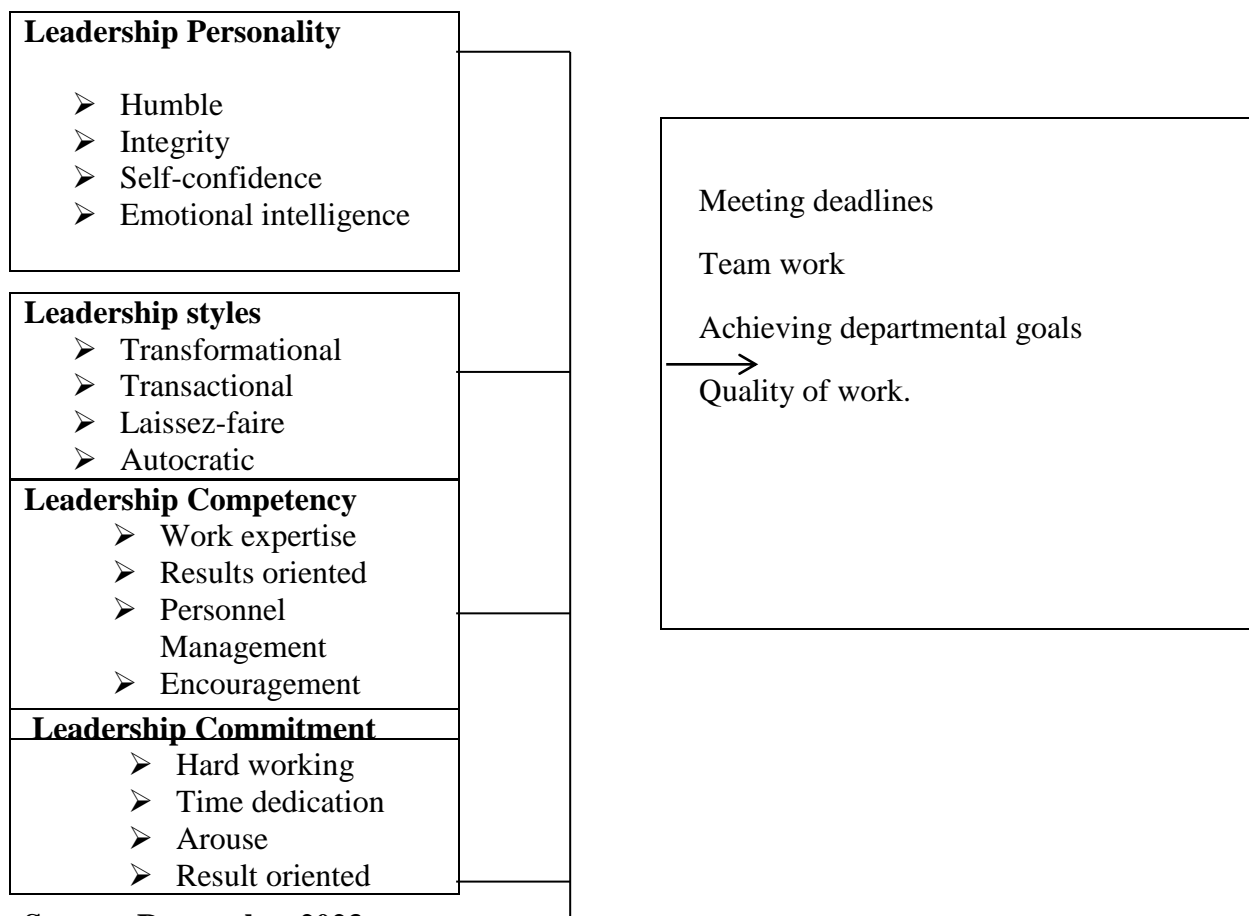
The conceptual framework for this study assumed performance indicators which consisted of executing defined duties, meeting deadlines, team input and achieving departmental goals referred as dependent variable, are determined by the following independent variables which include transformational leadership, transactional leadership, laissez-faire leadership and autocratic leadership.

Independent Variable

Dependent Variable

Effect of Leadership

Employee Performance



Source: Researcher 2023

Research Gap

Books in the library, past researches, different studies, catalogues, databases and internet were widely accessed to identify the gap in literature. The literature on the influence of leadership on employee performance shows that there is no common agreement on which type of the leadership styles influence employee performance and how each influence performance does. In most of the literature reviewed there are inconsistencies showing that there is the positive influence on employee performance caused by Transformational leadership and positive influence of transactional leadership on performance of employees Nuhu (2020), Babatunde (2021). These researchers all together show that there is the positive influence made by Transformational leadership on the performance of employees. Nevertheless, the influence of laissez faire leadership style and autocratic leadership style on the performance of employees is not straight forward discussed in these research studies. Hence it is not clearly identified the influence of Laissez faire and autocratic leadership style to employee performance except that Nuhu (2020) in Uganda is the one who identifies that in some cases autocratic leadership style gave the positive influence on performance of

employees. These research results are contradicting to research results of Kaiwan (2021) that in his study it was identified that there is the negative influence of autocratic leadership towards performance of public employees. This shows that the evidence on the influence of leadership style on employee performance still has no common agreement among researchers. Therefore, it is from the above gaps that this current study was considered important and needed to contribute in the bridging of gaps identified.

Methodology

Research Design

According to Gravether (2013), research design is defined as the deliberately planned arrangement of conditions for the analysis and collection of data in a manner that aims to combine relevance to research purpose with economy of procedure or are plans that guide decisions about when and how often to collect data, and what data to gather, from whom and how to collect data, and to analyze data. This study used a descriptive research design since it provides a researcher with first-hand primary data that is collected, maintained, and analyzed for the research goals. The data is exclusive and original because a researcher has performed the survey research by himself; the data is the most reliable, accurate, and applicable to your goals. The study mainly will use survey design which allowed the researcher to integrate in Rwanda Revenue Authority through primary data and to be processed through descriptive (frequency, percentage) and inferential (multiple regression).

Population of the study

According to Gravether (2013), define a population as a set of individuals or objects with the same characteristics. And also Gravether stated that population has two types which are known population (when it is well defined) and unknown (when it is not well defined) population. The target population in this study is 1248 who are staff at Rwanda Revenue Authority (RRA)

Sample Population		
Category RRA	Population	Percentage
RRA Nyamata	34	12.6
RRA Kayonza	54	20
RRA Headquarter	74	27
RRA Muhanga	47	17.4
RRA Nyagatare	60	23
Total	269	100

(Source: Researcher 2023)

Sample Size

Sample size can be defined as a group of representative selected from the entire population in order to be tested (Gravether, 2013). As per this study, the target population is 1248 staff and the reseacher considered to calculate the sample size. The sample size of the study was 269 respondents (Rwanda Revenue Authority Staff).

Sources of data

Simply, in this study data was collected from both primary and secondary sources.

Data Collection Methods and Tools

During the study, researcher used questionnaire as data collection instrument.

Model of interpretations: Model: $Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \epsilon$

Y= Dependent variable: Employee Performance.

y 1 = Meeting Deadlines (MD)

y2 = Team work (TW)

y3= Achieving department goals (ADG)

y4 = Quality of Work (QW)

X= Independent Variable: Effect of Leadership

X 1= Leadership personality (LP)

X2 = Leadership styles (LS)

X3 = Leadership Competency (LC)

X4 = Leadership Commitment (LC)

From the above, the following have been made:

MD = $\beta_0 + \beta_1 LP + \beta_2 LS + \beta_3 LC + \beta_4 LC + \epsilon$ Model 1

TW = $\beta_0 + \beta_1 LP + \beta_2 LS + \beta_3 LC + \beta_4 LC + \epsilon$ Model 2

ADG= $\beta_0 + \beta_1 LP + \beta_2 LS + \beta_3 LC + \beta_4 LC + \epsilon$ Model 3

QW= $\beta_0 + \beta_1 LP + \beta_2 LS + \beta_3 LC + \beta_4 LC + \epsilon$ Model 4

Presentation, Analysis and Interpretation of Findings

The first objective was to establish the effect of leadership personality on employee performance at Rwanda Revenue Authority. According to research findings, it was observed that majority of respondents representing 56.2% strongly agreed to the first item of objective one which states that leaders at RRA are considerate when dealing with subordinates which motivates staff to work and meet deadlines. On the second item which states that leaders at Rwanda Revenue Authority live a life of integrity at work and outside work which ignites workers to provide a quality work 25.7% strongly agreed to the above statement. On the third item, 44.2% strongly agreed that leaders at Rwanda Revenue Authority have confidence in themselves and also build confidence among staff. 67.2% agreed that emotional intelligence is a key point considered by leaders at Rwanda Revenue Authority and helps employees in achieving departmental goals. 76.6% agreed that employees in department/branch complete their assigned duties on time. 60.0% agreed that leaders are characterized by integrity and creativity. 91.3% strongly agreed RRA leaders are very much open to all staff. 96.6% strongly agreed that RRA leaders have confidence and are very much conscious. Therefore, from the above findings, it was observed that leadership personality affects strongly employee performance at Rwanda Revenue Authority.

The second objective was to examine the effect of leadership styles on employee performance at Rwanda Revenue Authority. On the first item, 62.3% agreed that leaders at Rwanda Revenue Authority use transformational leadership style to assist employees meet deadlines. 86.8% agreed that transactional Leadership is used in Rwanda Revenue Authority by leaders and have contributed to quality of work. 92.1% strongly agreed that Laissez-faire style of leadership has been used to enhance team work at Rwanda Revenue Authority. 100% of respondents strongly agreed that leaders at Rwanda Revenue Authority apply Autocratic leadership style to make employees meet deadlines and to achieve departmental goals. 87.9% strongly agreed that Laissez-faire style of leadership motivates to work hard. At 100% respondents strongly agreed that Transformational leadership helps to be more creative at work. Respondents strongly agreed at 97.0% that autocratic leadership assist staff to stay focused at work. At 92,1% respondents strongly agreed that Autocratic leadership assist staff to be more productive. Therefore, from the above presentations, it can be concluded that leadership styles have a great effect on employee performance at Rwanda Revenue Authority.

The third objective was to analyse the effect of leaders' competency on employee performance at Rwanda Revenue Authority. At 64.5% respondents agreed that leaders at Rwanda Revenue Authority exhibit work expertise which makes also employees to excel in meeting deadlines. At 67.5% respondents agreed that leaders at Rwanda Revenue Authority are results oriented which also encourages all employees to strive for achieving departmental goals. At 92.1% respondents agreed that leaders at Rwanda Revenue Authority are

good at personnel management and this stimulates team work among employees. At 63.8% respondents agreed that leaders at Rwanda Revenue Authority have got skills of encouraging employees and this makes all of them provide quality work. At 86.8% respondents agreed that RRA leaders are very much competent. At 84% respondents agreed that RRA staff are motivated by leaders' competence at work. At 67.5% respondents agreed that RRA staff are very comfortable with their leadership. Therefore, from the above presentations, it can be concluded that leadership competency has a great effect on employee performance at Rwanda Revenue Authority.

The fourth objective was to establish the effect of leadership commitment on employee performance at Rwanda Revenue Authority. At 86.8% respondents agreed that leaders at Rwanda Revenue Authority provides Clear Vision & Purpose to help employees in meeting deadlines. At 100% respondents agreed that Leaders at Rwanda Revenue Authority use Rewards to stimulate employee to achieve departmental goals. At 84% respondents agreed that Leaders at Rwanda Revenue Authority are good at Team Management & Empowering Skills and this stimulates team work among employees. At 76.6% respondents agreed that Leaders at Rwanda Revenue Authority are always ready to adapt changes and this makes all of them provide quality work. At 60.0% respondents agreed that they are always inspired by their leaders' creativity. At a rate of 91.3% respondents agreed that employee performance is a result of leadership creativity. Respondents agreed at 96.6% that training are conducted to improve staff creativity. At 91.3% respondents agreed that rewards are given for any staff who shows creativity at work.

Conclusion

The study assessed the effect of leadership on employee performance in Rwanda Revenue Authority. Basing on the research findings, it was observed that majority of respondents agreed that leadership affects employee performance in Rwanda Revenue Authority at 76.7%. It was also observed that all the variables under the independent variables are good determinants of employee performance at Rwanda Revenue Authority. The factors that determines employee performance are Leadership Personality, Leadership styles, Leadership Competency and Leadership Commitment. It was also perceived that transformational leadership helps to be more creative at work and leaders at Rwanda Revenue Authority apply autocratic to make employees meet deadlines and to achieve the goals at 100%. However, though the big number of respondents agreed and strongly agreed to all the items in this study, there were also a small number of respondents who disagreed, strongly disagreed and undecided which call for the following recommendations to be given much attention by Rwanda Revenue Authority management. It is from this presentation that a researcher was convinced that, problems indicated in the problem statement were really as a result of reluctance by leaders which did not strongly stand firm and deal with employees' behavior, discipline and performance. Therefore, it is from this background that the researcher is making the following recommendations.

Recommendations To Rwanda Revenue Authority

The researcher advises Rwanda Revenue Authority to put into consideration: to have regular one-on-ones meeting; communicate with transparency; personalize recognition; practice active listening; ask for and give feedback; value employees' pinions; avoid micromanaging; encourage stretch goals; clarify expectations of good performance; explain consequences of poor performance; monitor performance and provide specific feedback; provide advice for improvement, give time to improve; follow through on your consequences.

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