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Mediating Effect of Organisational Culture on the Relationship between Innovative Leadership and Performance of Pentecostal Churches in Kenya

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# **Abstract**

This study investigated the mediating effect of organizational culture on the relationship between innovative leadership and performance of Pentecostal churches in Kenya. Grounded in Schein's Model of Organizational Culture, the research employed a cross-sectional survey design, sampling 331 senior pastoral staff from 4,279 registered Pentecostal churches. Data collected through structured questionnaires were analyzed using descriptive statistics and stepwise regression. Results revealed a significant partial mediating effect of organizational culture (R<sup>2</sup>=0.659, F=208.974, p<0.05). Innovative leadership directly influenced performance ( $\beta$ =0.587, p<0.05) and organizational culture (8=0.635, p=0.025), while organizational culture significantly affected performance ( $\beta$ =0.647, p<0.05). In the final model, both innovative leadership ( $\beta$ =0.381, p<0.05) and organizational culture ( $\beta$ =0.349, p<0.05) remained significant predictors of performance, with organizational culture partially mediating the relationship. The study concluded that organizational culture plays a crucial role in translating innovative leadership into enhanced church performance. Recommendations include developing comprehensive policies to strengthen organizational cultures that support innovative leadership and improve church performance, establishing regular cultural assessments, and implementing training programs emphasizing the importance of organizational culture in achieving church objectives.

**Keywords**: Innovative Leadership, Organisational Culture, Performance & Pentecostal Churches.

### 1.1 Introduction

Over time, the Christian church has fulfilled an important role in advancing the progress of humanity, helping to forge national identities, generate cultures, structure societies with their institutions, and determine the nature and effectiveness of the political, economic, and social structures (Nyandiri, 2020). Since its founding, the Christian church and its leaders have persisted

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in addressing problems that prompt the transformation of the human community. Nevertheless, owing to factors like poor leadership, the absence of a clear vision, and poor communication, many churches around the world have encountered performance issues that have made it difficult for them to accomplish their primary goal (Benedicte, Andemariam, & Wasike, 2022). The Pentecostal church in Kenya has experienced its fair share of underperformance in terms of efficiency in operation, employee productivity, and client satisfaction (Benedicte et al., 2022; Odongo & Okech, 2019; Mbogori & Matena, 2019; Ondicho & Otieno, 2022). As a result, Pentecostal churches' performance has gradually been diminishing.

An innovative leader is a necessity for every successful organisation. As defined by Supriatna and Zulganef (2023), innovative leadership refers to strategies and principles that combine multiple perspectives on leadership in order to convince and encourage people to develop new products, services, and ideas. Therefore, to improve business outcomes in the complex industry, creative thinking is required. Every organisation that desires a promising future along with significant internal shifts requires an imaginative and innovative leader to motivate staff members. Using the innovative leader strategy is incredibly beneficial for any company in the challenging situations of today (Riza et al., 2020).

A couple of fundamental concepts; leadership and innovation, need to be assessed initially in order to better understand innovative leadership (Alharbi, 2021). This suggests that innovative leadership involves using creative techniques, components, methods, or ideas to address particular customer requirements while identifying solutions to both short-term and long-term problems. Innovative leaders share a number of traits, including the skills, knowledge, values, and aptitude to recognize present risks and anticipate future negative outcomes (Jiang & Chen, 2021). In this study, innovative leadership was operationalized using four key dimensions: creative thinking, teamwork, risk management, and change-oriented leadership. These dimensions capture the essential characteristics and behaviors of innovative leaders, enabling a comprehensive assessment of their impact on organizational performance (Alharbi, 2021; Jiang & Chen, 2021; Riza et al., 2020; Supriatna & Zulganef, 2023).

The study mediating variable of organisational culture emanates from the independent variable that innovative leadership. Omara and Mahmooda (2020) define organisational culture as a group of norms, morals, principles, and views that direct the work of employees within an organisation. Njiru and Warue (2019) define organisational culture as an amalgamation of common principles, opinions, and guidelines that influence the way staff behave, think, and feel at employment. Contrary to Alneyadi, Al-Shibami, Ameen, and Bhaumik's (2019) definition of organisational culture as ingrained in organisational commerce and speech, Purnomo, Eliyana, and Pramesti (2020) define organisational culture as an ideal of value that is embraced every staff. This research adopts a working definition of organisational culture as espoused by Purnomo et al. (2020) who views it as an array of principles, convictions, beliefs, perspectives, structures, and values that guide and affect behaviour among workers across an organisation as a reflection of the way stakeholders feel about the organisation and its image as a whole. Organisational culture refers to a representation and an assortment of values that every member of the organisation has in common. In this study, organizational culture was operationalized using three key dimensions: beliefs, values (conscious goals, strategies, and philosophies), and norms, which collectively shape the shared assumptions, expectations, and behaviors within an organization



### 1.2 Problem Statement

The performance challenges that faced Pentecostal churches in Kenya were substantial and multifaceted, necessitating urgent attention and research. Leadership within these churches had been linked to various issues, including inefficiencies in church programs, ineffectiveness of church projects, dissatisfied congregations, and low employee productivity (Nyandiri, 2020; Benedicte, Andemariam, & Wasike, 2022). A survey by Nyandiri (2020) revealed that 65% of church leaders in Nairobi struggled with inefficiencies in church programs, while 58% reported ineffectiveness in church projects. Similarly, Benedicte, Andemariam, and Wasike (2022) found that 72% of congregants in Pentecostal churches across Kenya expressed dissatisfaction with church leadership, and 60% of church employees reported low productivity. These statistics collectively demonstrated the pervasive nature of performance issues in Kenyan Pentecostal churches, underscoring the urgent need for research into the factors that influenced church performance, particularly focusing on innovative leadership and organizational culture.

Despite the recognition of innovative leadership as a crucial approach for addressing performance challenges, existing research in this area had significant gaps when applied to the context of Pentecostal churches in Kenya. Previous studies had examined the impact of innovative leadership on organizational performance in different sectors and countries (Arunwarakorn & Suthiwartnarueput, 2019; Ubaidillah et al., 2019; Sukkar & Diallo, 2021), but these findings could not be directly applied to the unique environment of Kenyan Pentecostal churches. Moreover, many of these studies had not considered the mediating effect of organizational culture on the relationship between innovative leadership and performance. This study aimed to address these contextual and conceptual gaps by investigating the interplay between innovative leadership and organizational culture in shaping the performance of Pentecostal churches in Kenya. By utilizing a methodological approach that differed from previous research in this field, this study sought to contribute to a more comprehensive understanding of the factors influencing church performance in the Kenyan context.

# 1.3 Research Objective

To assess the mediating effect of organisational culture on the relationship between innovative leadership and performance of Pentecostal churches in Kenya

### 1.4 Research Hypothesis

H<sub>0</sub>: There is no significant mediating effect of organisational culture on the relationship between innovative leadership and performance of Pentecostal churches in Kenya

### 2.1 Literature Review

# 2.2 Theoretical review: Schein Model of Organisational culture

Schein Model of Organisational culture was proposed by Schein (1980). It illustrates the crucial factors as well as the many degrees of each organisational culture. These are described as profoundly embedded artifacts, creations, shared beliefs, and fundamental presumptions (Akanji, Mordi, Ituma, Adisa & Ajonbadi, 2020). They provide membership in the company a specific significance and direct conduct at work. According to Morente, Ferràs, and ilavsk (2018), the Schein Model of Organisational Culture places focus on clan cultures, meritocracy, Denison, and adhocracy as the components required to strengthen different aspects of organisational culture.

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The clan cultures operate in a manner similar to a family, requiring that people interact with one another in a familial manner (Siehl & Martin, 1984). They develop constructive viewpoints, and they collaborate and are integrated with one another. They converse, share opinions, and offer support and assistance to one another. Because of this, clan cultures place a strong focus on coordinating with one another, integrating with one another, and offering support and aid.

The organisations accept flexibility and innovation when the adhocracy model of organisational culture is used (Morente et al., 2018). The ability for organisations to swiftly adapt and change constitutes one of its primary advantages. In other circumstances, the individuals might not be fully aware of their job responsibilities and duties. By effectively implementing communication procedures and fostering the virtues of ethics, morality, assiduity, resourcefulness, and conscientiousness, they are able to raise awareness. These qualities are seen to be necessary for carrying out their job responsibilities effectively and reaching the intended goals and objectives. Creating a sense of community and loyalty among employees, as well as offering employees a competitive edge by assisting them in understanding appropriate behaviour and social system stability, are all things that organisational culture normally helps with, according to Siehl and Martin (1984).

Furthermore, Furnhan and Gunter (1993) assert that organisation culture, which consequently establishes standards for behaviour, needs to be established whenever productive working relationships have been to be maintained within those who work together. This is true given that behaviour has a big impact on an organisation's performance and its culture might influence how its members behave. Consequently, an organisation's culture has a significant impact on how well it performs (Ibrahim & Obianuju, 2019). Consequently, organisational culture matters because it affects how well a firm integrates internally (by promoting employee experience) and responds to external variables (customer experience), both of which are crucial for performance results (Indiya, Mise, Obura & Ojera, 2021). Additionally, the firm's objective includes a defined performance orientation that business managers use to guide organisational performance (Mousavi et al., 2015). According to McDougall and Ronkainen (2019), this is the justification behind using Schein's Organisational Culture Model to describe how organisational culture affects customer excellence management and organisational performance.

The Schein Model of Organisational Culture serves as the study's theoretical framework since it emphasizes the elements required to increase numerous performance-related characteristics (Morente, Ferràs, & ilavsk, 2018). These elements include beliefs and values. Values place a strong emphasis on metrics and methods for providing solutions through creative leadership to enhance performance. Meanwhile, it is acknowledged through the adhocracy model of organisational culture that exercising the creative skill would help with an effective performance.

### 2.3 Empirical review

The study by Lee (2022) concentrated on the connection between organisational commitment, leadership style, and culture in primary hospitals of New Taipei City which were sample using convenience sampling to gather data. Leadership was found to have a significant positive impact on organisational commitment, and organisational culture was found to partially mediate the link between transformational leadership and organisational commitment. The high-order leader was not included in the study's focus group; only hospital staff members were. As a result, the research's findings cannot accurately reflect what the hospitals and the region's leaders are actually thinking.

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The investigation conducted by Gökalp and Soran (2022) looked into how leadership and organisational culture affected the performance of pilots to examine how organisational culture and leadership affected the performance of pilots in Istanbul, Turkey. A sample of 151 participants and a questionnaire had been employed to gather the data. Both correlation and regression analysis to discover that leadership styles had a favorable effect on students' ability to fly, and mediation analysis revealed that flight instructors' leadership styles had a significant impact on students' ability to fly. Performance was, however, more significantly impacted by organisational culture. The study by Gökalp and Soran (2022) had a contextual gap because it concentrated on flight training facilities in Istanbul, Turkey. The data gathered from Kenyan Pentecostal churches.

Omara and Mahmooda (2020) investigated into the connections between organisational performance and training and development in Malaysian courier service organisations. Organisational culture is additionally scrutinized at in this study as a mediator in the association between training and development and organisational performance. A quantitative approach was adopted in the research design, which included descriptive and inferential statistics. The findings suggest a connection between effective organisational performance and training and development. The study also shows that organisational culture mediates the link between training and development and organisation. The study, however, had a conceptual gaps in that it failed to take into account factors that might be industry-specific and affect the relationship between organisational performance and leadership development. This study used critical thinking, teamwork, risk management, and change-oriented leadership as indicators of innovative leadership.

Purnomo, Eliyana, and Pramesti (2020) examined into the way leadership style, organisational culture, and job satisfaction affected employee performance, with organisational commitment acting as an intermediary variable. Among the respondents are the 87 staff members of the Regional Revenue Agency of East Java in Surabaya. In this study, Partial Least Squares- Structural Equation Model (PLS-SEM) was implemented to quantitatively analyze the data. It was found that organisational commitment served as the only mediator for the influence of job satisfaction on employee performance (full mediation), and that organisational culture, not leadership style, had a significant impact on employees' performance. Because the study lacked control groups, it is difficult to determine the causal connection between leadership and performance.

The goal of the research by Njiru and Warue (2019) was to investigate the variables influencing the numerical growth of Pentecostal churches in the Embu West sub-County, with 530 respondents as the target population. Through stratified sampling, 165 participants were selected as a sample. Questionnaires were used to gather the data. It used both descriptive and inferential statistics. It was discovered that organisational culture, leadership styles, and structure all significantly contributed to the numerical growth of Pentecostal churches. However, the study by Njiru and Warue (2019) lacked a conceptual gap and neglected to consider moderating and mediating variables. Organisational culture and the legal system was used in this study as moderating and mediating variables, respectively.

Akca, zer, and Kirkan (2018) applied shopping mall managers for investigating the effects of organisational culture and leadership on performance. A total of 103 people participated in a survey that was utilized to collect data. A significant correlation was found between organisational culture and leadership, organisational culture and performance, and leadership and performance, according to the results of correlation and regression assessments. Because a control group was



not included in the study by Akca et al. (2018), it was challenging to determine the causal relationship between innovative leadership and performance. Therefore, the demographics of the respondents and their age was analyzed in this study.

In a study conducted by Lolowang, Troena, Djazuli, and Aisjah (2019), the impact of organisational culture and leadership on employee performance in the city of Jayapura, which has 96 employees, was evaluated. PLS was applied to analyze data, and findings revealed that while leadership has no discernible effect, organisational culture has a significant impact on employee performance. The use of a very small sample size and other methodological gaps limited capacity of the findings to be generalized.

The study by Rizki, Parashakti, and Saragih (2019) examines the relationship between organisational culture and employee performance, innovative behaviour, and transformational leadership in PT Bank Danamon Indonesia. Data gathered from a sample of 100 workers utilizing a questionnaire were analyzed using SEM. It have been found that culture significantly affects how well staff members perform. The results of the Rizki et al. (2019) study could not be applied more widely because it was specific to PT Bank Danamon Indonesia. Consequently, the present research was carried out among Pentecostal churches in Kenya.

The goal of Marigat's (2022) study was to look into how organisational culture affected the relationship between charismatic leadership and job satisfaction in Kenyan national schools The investigation utilized a proportionate and systematic sampling method to select a sample of 367 from a population of 8,160 teachers. In the research, explanatory survey research design was used. A questionnaire was used for gathering the data and analysis resulted in the generation of descriptive and inferential statistics. Regression demonstrated a significant and positive relationship between charismatic leadership and job satisfaction. The research by Marigat (2022) had a conceptual flaw because it failed to distinguish between various performance types and instead relied solely on satisfaction. Satisfaction, effectiveness, efficiency, and employee productivity was used in the current study to gauge performance.

### 2.4 Conceptual Framework

Established on the theories and informed by the empirical research, the study constructed a conceptual framework proposing that innovative leadership is related to performance of Pentecostal churches in Kenya and the relationship mediated by organisational culture as shown in Figure 1.

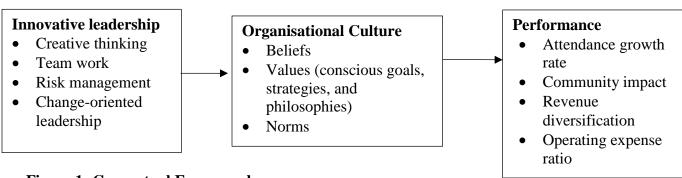


Figure 1: Conceptual Framework

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# 3.1 Research Methodology

This study adopted positivism philosophy which is premised on the proposition that factual knowledge is accomplished through observation and measurement. Further, that the researcher remains objective, applies existing theory to develop hypothesis to test during the research process. A cross sectional survey design is more appropriate than others are since the data collected help answer research questions related to only one point in time (Alita, Putra & Darwis, 2021).

The population of the study is the 4,279 registered Pentecostal churches in Kenya (National Council of Churches in Kenya, 2023). The 4,279 Pentecostal churches in Kenya formed the unit of analysis. The unit of observation was the senior most pastoral staff from the 4,279 Pentecostal churches in Kenya. Thus, the target population was thus the 4,279 registered Pentecostal churches of Kenya. The sample size was 385 participants obtained using Saunders et al. (2012) formula. Proportionate sampling was the method to be used to determine the sample size of Pentecostal churches of Kenya. The participants in the study was selected using simple random sampling from the churches.

The study used structured questionnaire to collect data. The study utilized quantitative data analysis techniques. Qualitative technique utilizes non-statistical methods to arrive at findings. Quantitative research utilizes statistical techniques and a more flexible approach. The data collected for this study was entered into SPSS software for analysis to obtain descriptive statistics namely frequency, percentages, mean, standard deviation and coefficient of variation. The regression model was;

Step 1:

 $P = \beta_0 + \beta_1 IL + \varepsilon$ 

Step 2:

 $OC = \beta_0 + \beta_2 IL + \varepsilon$ 

Step 3:

 $P = \beta_0 + \beta_3 OC + \varepsilon$ 

Step 4:

 $P = \beta_0 + \beta_4 IL + \beta_5 OC + \varepsilon$ 

Where:

P= Performance

 $\beta_0 = Constant$ 

 $\beta_{1 \text{ to}}$ ,  $\beta_{5}$  = coefficients

IL = innovative leadership

OC = organisational culture

 $\varepsilon = \text{Error Term}$ 



# 4.1 Results and Findings

Under response rate, out of 385 questionnaires administered, 331 were successfully completed and returned, yielding an 86% response rate. This high response rate is considered excellent for survey research. Thus, the 86% response rate achieved in this study is exceptional, providing a strong foundation for data analysis and enhancing the credibility and generalizability of the research findings.

### **4.2 Descriptive Statistics**

The objective of the study was to assess the mediating effect of organisational culture on the relationship between innovative leadership and performance of Pentecostal churches in Kenya. The descriptive results for organisational culture are shown in Table 1.

**Table 1: Descriptive Statistics for Organisational Culture** 

Statistics	Organisational Culture		
N	331		
Mean	3.95		
Median	4		
Mode	4		
Std. Deviation	0.62		
Skewness	-0.33		
Kurtosis	-0.45		

The results show the descriptive statistics indicating central tendency and dispersion of all the measures of Organisational Culture. The total number of respondents was 331. Organisational Culture had a mean of 3.95, median of 4.00, and mode of 4.00. The mean of 3.95 implies that the majority of respondents strongly agreed with the statements on Organisational Culture. This suggests a generally positive perception of the organisational culture within Pentecostal churches in Kenya. The standard deviation of 0.62 showed that the responses differed from the mean value by this amount, indicating a relatively high level of consensus among respondents.

Skewness for Organisational Culture was -0.33. According to Bai and Ng (2005), if skewness is between -0.5 and 0.5, the distribution is approximately symmetric. Therefore, we can conclude that the distribution of responses for Organisational Culture is approximately symmetric, with a slight negative skew indicating a tendency towards higher scores.

Kurtosis results showed that Organisational Culture had a value of -0.45. Since this value is less than 3, we conclude that the distribution is platykurtic, indicating a flatter distribution than a normal curve with slightly broader tails. This suggests a wider spread of opinions on organisational culture practices among the respondents, although less pronounced than for innovative leadership.

These results indicate a strong positive perception of organisational culture within Pentecostal churches in Kenya. The high mean and median scores suggest that respondents generally agree that their churches have well-established cultural norms, values, and practices. The approximately symmetric distribution with a slight negative skew implies that while most responses are clustered around the higher end of the scale, there is still some variation in perceptions.



The platykurtic distribution, although less pronounced than for innovative leadership, suggests that there is still some diversity in how organisational culture is perceived and implemented across different churches. This could reflect variations in church size, leadership styles, or regional differences in cultural practices.

# 4.3 Correlation Analysis

Correlation analysis was conducted to examine the relationships between innovative leadership organizational culture and performance of Pentecostal churches in Kenya. This analysis provides insights into the strength and direction of relationships between the study variables. The correlation results are presented in Table 2, offering a foundation for further analysis and interpretation of the study's findings.

**Table 2: Correlation Matrix** 

	Performance	Innovative Leadership	Organisational Culture
Performance	1.000		
Innovative Leadership	0.681**	1.000	
Sig. (2-tailed)	0.000		
Organisational Culture	0.702**	0.423	1.000
Sig. (2-tailed)	0.000	0.540	

The correlation analysis results, reveal significant relationships between the study variables. Innovative Leadership shows a strong positive correlation with Performance of Pentecostal churches (r = 0.681, p < 0.01), indicating that higher levels of innovative leadership are associated with better church performance. Organisational Culture demonstrates the strongest correlation with Performance (r = 0.702, p < 0.01), suggesting that a strong organizational culture is closely linked to enhanced church performance. The strength of these correlation with Performance, suggests that innovative leadership and organisational culture play a substantial role in the performance of Pentecostal churches in Kenya.

# **4.4 Hypotheses Testing**

The objective of the study was to assess the mediating effect of organisational culture on the relationship between innovative leadership and performance of Pentecostal churches in Kenya. The second hypothesis was stated in the null form that there is no significant mediating effect of organisational culture on the relationship between innovative leadership and performance of Pentecostal churches in Kenya. The mediating effect of organisational culture was assessed, and results explained using coefficient of determination (R-Square), Analysis of Variance (ANOVA) and the regression coefficients. The mediating effect of organisational culture on the relationship between innovative leadership and performance of Pentecostal churches in Kenya was analysed in 4 steps. The model summary is as shown in Table 3.



**Table 3: Model Summary for Mediating Effect** 

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.80	0.641	0.639	0.41382
2	0.77	0.590	0.588	0.45876
3	0.78	0.601	0.599	0.45321
4	0.81	0.659	0.657	0.42478

In Model 1, which represents the direct relationship between innovative leadership and performance, the R value of 0.800 indicates a strong positive correlation, with an R Square of 0.641 suggesting that innovative leadership alone explains 64.1% of the variance in church performance. Model 2 shows the relationship between innovative leadership and organizational culture, with an increased R value of 0.768 and R Square of 0.590, indicating that innovative leadership explains 59.0% of the variance in organizational culture. Model 3 represents the relationship between organizational culture and performance, with an R value of 0.775 and R Square of 0.601, suggesting that organizational culture accounts for 60.1% of the variance in performance.

Finally, Model 4 includes both innovative leadership and organizational culture as predictors of performance. The R value increases to 0.812, with an R Square of 0.659, indicating that together, innovative leadership and organizational culture explain 65.9% of the variance in church performance. This substantial increase in explained variance from Model 1 to Model 4 suggests a potential mediating effect of organizational culture on the relationship between innovative leadership and performance of Pentecostal churches in Kenya.

To further examine the significance of these relationships, an Analysis of Variance (ANOVA) was conducted for each model. The results are presented in Table 4.

**Table 4: ANOVA for Mediating Effect** 

Model	Sum of	df	Mean Square	F	Sig.
	Squares		_		_
1	Regression	103.201	1	103.201	602.956
	Residual	57.799	329	0.176	
	Total	161	330		
2	Regression	79.373	1	79.373	319.012
	Residual	81.627	329	0.248	
	Total	161	330		
3	Regression	81.144	1	81.144	333.246
	Residual	79.856	329	0.243	
	Total	161	330		
4	Regression	90.321	2	45.161	208.974
	Residual	70.679	328	0.216	
	Total	161	330		



The ANOVA results in Table 4 show that all four models are statistically significant (p < .001), indicating that the relationships observed in each step of the mediation analysis are not due to chance. The F-statistics for all models are large and significant, suggesting that the independent variables (innovative leadership and organizational culture) are good predictors of the dependent variable (performance) at each stage of the analysis.

Table 5 presents the regression coefficients for the mediating effect of organizational culture on the relationship between innovative leadership and performance of Pentecostal churches in Kenya. This table provides crucial information about the strength and significance of the relationships in each step of the mediation analysis.

**Table 5: Regression Coefficients for Mediating Effect** 

Model		<b>Unstandardized Coefficients</b>		Standardized Coefficients		
		В	Std. Error	Beta	t	Sig.
1	(Constant)	1.078	0.137		7.869	0.000
	Innovative	0.587	0.035	0.681	16.821	0.000
	Leadership					
2	(Constant)	0.915	0.133		6.88	0.000
	Innovative	0.635	0.034	0.702	18.695	0.025
	Leadership					
3	(Constant)	0.856	0.131		6.534	0.000
	Organizational	0.647	0.033	0.71	19.611	0.000
	Culture					
4	(Constant)	0.523	0.129		4.054	0.012
	Innovative	0.381	0.042	0.442	9.071	0.000
	Leadership					
	Organizational Culture	0.349	0.043	0.383	8.116	0.000

In Model 1, which examines the direct relationship between innovative leadership and performance, the results show a significant positive effect (B = 0.587, t = 16.821, p < 0.001). This indicates that innovative leadership is a strong predictor of church performance, with a one-unit increase in innovative leadership associated with a 0.587 unit increase in performance. Model 2 explores the relationship between innovative leadership and organizational culture. The results reveal a significant positive effect (B = 0.635, t = 18.695, p = 0.025), suggesting that innovative leadership significantly influences organizational culture within Pentecostal churches. For a one-unit increase in innovative leadership, there is a 0.635 unit increase in organizational culture. Model 3 examines the relationship between organizational culture and performance. The findings show a significant positive effect (B = 0.647, t = 19.611, p < 0.001), indicating that organizational culture is a strong predictor of church performance. A one-unit increase in organizational culture is associated with a 0.647 unit increase in performance.

The final model, Model 4, includes both innovative leadership and organizational culture as predictors of performance. Both variables remain significant predictors, but their individual effects are reduced compared to their effects in previous models. Innovative leadership ( $B=0.381,\,t=0.381$ )



9.071, p < 0.001) and organizational culture (B = 0.349, t = 8.116, p < 0.001) both contribute significantly to church performance. The reduction in the effect of innovative leadership from Model 1 (B = 0.587) to Model 4 (B = 0.381), coupled with the significant effect of organizational culture, suggests a partial mediating effect of organizational culture on the relationship between innovative leadership and church performance.

Based on these results, we reject the null hypothesis  $(H_{02})$  that there is no significant mediating effect of organizational culture on the relationship between innovative leadership and performance of Pentecostal churches in Kenya. The findings support the alternative hypothesis, indicating that organizational culture partially mediates the relationship between innovative leadership and church performance. This suggests that innovative leadership not only directly influences church performance but also indirectly enhances performance by fostering a supportive organizational culture within Pentecostal churches in Kenya.

#### 4.2 Discussions

The objective of this study was to assess the mediating effect of organizational culture on the relationship between innovative leadership and performance of Pentecostal churches in Kenya. The results of the stepwise regression analysis provided strong evidence for a partial mediating effect. The model summary showed a progression from Model 1 (direct effect) to Model 4 (full mediation model), with R values increasing from 0.800 to 0.812, and R Square values rising from 0.641 to 0.659. This indicates that the inclusion of organizational culture as a mediator explained an additional 1.8% of the variance in church performance. The ANOVA results demonstrated the statistical significance of all four models (p < 0.001), with F-statistics ranging from 602.956 to 208.974, confirming that each model significantly explained variance in performance.

The regression coefficients revealed key insights: in Model 1, innovative leadership had a significant direct effect on performance (B = 0.587, t = 16.821, p < 0.001). In Model 2, innovative leadership significantly predicted organizational culture (B = 0.635, t = 18.695, p = 0.025). Model 3 showed that organizational culture significantly predicted performance (B = 0.647, t = 19.611, p < 0.001). In the final model (Model 4), both innovative leadership (B = 0.381, t = 9.071, p < 0.001) and organizational culture (B = 0.349, t = 8.116, p < 0.001) remained significant predictors of performance, but the effect of innovative leadership was reduced compared to Model 1. This reduction in the coefficient of innovative leadership, coupled with the significant effect of organizational culture, provides evidence for partial mediation. Based on these findings, the null hypothesis (H0) was rejected, concluding that there is a significant mediating effect of organizational culture on the relationship between innovative leadership and performance of Pentecostal churches in Kenya.

Lee (2022) found that organizational culture partially mediated the link between transformational leadership and organizational commitment in primary hospitals of New Taipei City. This partial mediation effect aligns closely with our findings, where organizational culture partially mediated the relationship between innovative leadership and church performance. Despite the different contexts (hospitals versus churches) and outcome variables (commitment versus performance), the consistency in the mediating role of organizational culture underscores its importance in translating leadership effects into organizational outcomes.

Gökalp and Soran (2022) discovered that organizational culture had a more significant impact on pilot performance than leadership styles in flight training facilities in Istanbul. While their study found a stronger direct effect of organizational culture on performance, our research identified a

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partial mediating effect. This difference might be attributed to the unique characteristics of the aviation industry compared to religious organizations. Nevertheless, both studies highlight the crucial role of organizational culture in shaping performance outcomes.

The research by Omara and Mahmooda (2020) in Malaysian courier service organizations revealed that organizational culture mediated the link between training and development and organizational performance. Although their study focused on training rather than leadership, the mediating role of organizational culture in translating organizational practices into performance aligns with our findings. This consistency across different sectors (courier services and churches) suggests that organizational culture plays a universal role in shaping organizational outcomes.

Purnomo, Eliyana, and Pramesti (2020) found that organizational culture had a significant impact on employees' performance in the Regional Revenue Agency of East Java. While their study did not find a mediating effect of organizational culture between leadership and performance, it did confirm the importance of organizational culture in influencing performance outcomes. This partial alignment with our findings suggests that the role of organizational culture may vary depending on the specific organizational context and leadership styles examined.

Njiru and Warue (2019) discovered that organizational culture significantly contributed to the numerical growth of Pentecostal churches in the Embu West sub-County. Although their study did not explicitly examine the mediating role of organizational culture, their findings support our results by highlighting the importance of organizational culture in church performance. This consistency within the context of Pentecostal churches in Kenya lends particular credence to our findings.

### 5.1 Conclusions

The objective was to assess the mediating effect of organizational culture on the relationship between innovative leadership and performance of Pentecostal churches in Kenya. The study findings indicated a partial mediation effect of organizational culture on the relationship between innovative leadership and performance of Pentecostal churches in Kenya. The objective was achieved.

#### **6.2 Recommendations**

The study recommends that Pentecostal church denominations in Kenya develop comprehensive policies to cultivate and strengthen organizational cultures that support innovative leadership and enhance church performance. These policies should focus on creating environments that foster open communication, collaboration, and continuous learning. Church governing bodies should establish guidelines for regular cultural assessments within their member churches, identifying areas of strength and opportunities for improvement. Furthermore, denominational leaders should develop training programs for church staff and volunteers that emphasize the importance of organizational culture in achieving church objectives. These policies should also include mechanisms for sharing best practices in organizational culture development across different churches, facilitating peer learning and continuous improvement throughout the Pentecostal church community in Kenya.



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