



**Hungarian University of Agriculture and Life Science**

**Szent István Campus**

**MSc Management and Leadership**

**The impact of poor leadership on the company's revenue streams,  
decision-making, company's culture, and decision making**

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## Thesis Summary

This study examined the negative impacts of ineffective leadership on businesses - financial output and cultural aspects such as decision-making awareness. Given the connection between leadership and the employee's performance.

By studying how poor leadership behaviors affect profit and customer loyalty, we gained valuable insights on how to effectively implement revenue management strategies from the perspective of leadership in order to achieve specific financial and customer satisfaction objectives.

This study aims to gain insight into the impact of ineffective leadership on a company. Therefore, the research objectives are to examine how poor leadership influences a company's decision-making and revenue generation. Moreover, investigating the impact of ineffective leadership on the employees' behavior and organizational culture.

Establishing a secure and salubrious environment within an organization encompasses various areas. This investigation furnished statistics relating to tension, transparent communication, and workers' abilities in the presence of inadequate management.

The main reason for not focusing on a particular industry in this study is that, whether it is a company, organization, family business, or non-profit, it is ultimately managed by human beings.

Both primary and secondary information is gathered. Both qualitative and quantitative data were gathered to sufficiently elucidate the essential details and facts required to tackle the research aim, objectives, and questions.

The approach employed in this study involved circulating a questionnaire across various online platforms and communities connected to employees. Interviews have been conducted to address complex inquiries pertaining to the subject matter.

In addition to utilizing questionnaires and interviews, SPSS software will also be employed to examine and illustrate the participants' responses through charts, diagrams, and graphs in order to fulfill the research objective.

One hundred and seventy-five (175) entries of online data were obtained by downloading a Microsoft Excel file from Google Forms. Most of the respondents fall within the age bracket of 18-24, with the next largest group consisting of 38% of individuals aged 25-30 years. Moreover, a demographic of 7% falls within the age range of 31 to 45. A mere 1% of the group consists of individuals aged 45 or above. Out of the total 175 respondents, the majority (47.4%) were at the entry level, while 41.7% were intermediate or experienced. Only a small number of participants (17) held middle management positions, and an even smaller number (2) were senior managers.

Furthermore, a significant portion of 94 participants, comprising 53.7%, acknowledge the crucial role of consistent growth and improvement for establishing a sound workplace ambiance and effective leadership.

Research findings are tied to study objectives, answering how poor leadership affects revenue, culture, and decision-making. 175 questionnaires were collected through Google Forms. In this study, (76%) were males, (23%) were females, and (1) was undefined. Most respondents are aged 18-24 (54.7%) and the majority are low-level employees (47.4%). Few senior managers (9.7%) responded. 106 respondents stated the importance of a healthy leadership environment. Continuous employee development is crucial for a healthy workplace, as 94 respondents with 53.7% agreement found. Effective leadership requires a strong connection with employees, but 72 respondents reported feeling stressed due to poor relationships with their leaders. Making mistakes is natural. However, a leader's actions can contribute to mistakes. 82% of respondents admit to making mistakes. Leaders are crucial in supporting, teaching, and guiding employees. Ignoring employee feedback can be destructive. Respondents were asked if their leader listens effectively. 85 said they hesitate to speak with the leader, but 68 said they do not hesitate at all. Effective listening is crucial for fruitful communication. 82% of respondents reported that their leaders listen to them effectively, resulting in positive communication and improved employee performance. Interviewees agree: good leadership is critical for sales success. Engaged employees go the extra mile under effective leaders. A specialist's ability can significantly impact service, according to an interviewee. Leaders oversee strategy, customer interaction, communication, delivery, and positive outcomes. If poor leadership is the cause, focusing on quality instead of profit is necessary for balancing revenue. Without strong leadership, the team becomes chaotic with misunderstandings, unclear expectations, and understatements. This leads to negative effects on the culture of the organization such as low morale, high turnover, and a lack of vision and synergy. Interviewees agree that without proper decision-making, employees are lost. They lack an understanding of company goals and processes. "Lack of decision transparency causes conflict and misalignment among employees." The leader considers team ideas, benefits the company, and fosters teamwork with common goals and attention to every employee. Retain top talent with incentives and transparency to keep good people, drive incentives and align expectations. Reps driven by unfocused leaders, lacking support & direction. Leaders must step up to keep the team motivated and on track. Leaders must guide and motivate their teams by providing direction.

Effective leadership development is a fundamental perspective in commercial dealings, given that both favorable and unfavorable actions have an impact on all facets of business. Efficiency in areas such as communication culture, customer retention, employee engagement, commitment to the company's objectives, and the ability to effectively handle disagreements are key factors that determine the benefit ratio, and are largely contingent on the quality of leadership within the group.

The culture of a company is generated by the collective beliefs and attitudes that stem from the interaction between the business and its leadership mindset. The group's convictions may develop rapidly or gradually, but the strength and success of their trade execution hinge on these factors. It becomes evident that creating a prosperous company culture requires the incorporation of authority and growth as essential elements.

Representatives who are skilled at making clever decisions are currently facing a disadvantage. The employees lack knowledge on the company's goals and the rationale behind the usage of specific methods. They will carry out their task in a mechanical manner, without any clever direction, in order to achieve a shared goal.

In reality, it is the responsibility of the leadership of the organization to take full accountability for any missteps, even though inept leaders tend to blame others quickly. These individuals are equally consumed by their own egos and an exaggerated perception of their public image. Consequently, the outcome is a culture where both managers and employees are fearful of taking initiative or expressing their innovative ideas.

Consistently, the subordinate individuals pay close attention to and follow the leader. Consequently, the team leader will align with the team's ideas and rationalize in a manner that benefits the organization.