The Role of Individualized Consideration on the Growth of Autocare Smes in Roysambu Sub-County, Nairobi County, Kenya

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ABSTRACT

The contemporary business environment is characterized by economic, social and technological uncertainties that challenge the sustainability and growth of small and medium enterprises (SMEs). These challenges require leaders who recognize employees as valuable organizational resources and deliberately invest in their development, well-being and performance. This study examined the role of individualized consideration on the growth of autocare SMEs in Roysambu Sub-County, Nairobi County, Kenya. Individualized consideration, a component of transformational leadership, was conceptualized in terms of employee development, caring and coaching. The study was guided by a post-positivist philosophical worldview and employed a cross-sectional descriptive research design. The target population comprised 276 employees drawn from 30 autocare SMEs. Stratified random and purposive sampling techniques were used to select 84 respondents. Data were collected using structured questionnaires administered through a drop-and-pick procedure. Seventy correctly completed questionnaires were included in the final analysis, representing a response rate of 83.3%. Data were analyzed using Microsoft Excel and IBM SPSS Statistics Version 26. Descriptive and inferential statistics, including regression analysis and analysis of variance (ANOVA), were used to establish the relationship between individualized consideration and organizational growth. The findings revealed a strong positive relationship between individualized consideration and organizational growth ($R = .961$). Individualized consideration explained 92.3% of the variation in organizational growth ($R^2 = .923$; adjusted $R^2 = .922$). The regression model was statistically significant, $F(1, 68) = 811.887$, $p < .001$. The regression coefficient was positive and significant ($\beta = .961$, $B = 1.125$, $p < .001$), indicating that an increase in individualized consideration was associated with an increase in organizational growth. The study concludes that employee development, caring and coaching are important transformational leadership practices for enhancing the growth of autocare SMEs. It recommends that SME leaders institutionalize employee mentoring, personalized development, supportive supervision and regular performance coaching to strengthen employee effectiveness and organizational growth.

Keywords: Individualized consideration; Organizational growth; Autocare SMEs; Transformational leadership; Employee development; Coaching; Small and Medium Enterprises.

INTRODUCTION

One of the major challenges facing contemporary organizations is the ability to survive and achieve sustainable growth in an increasingly unstable business environment. Economic fluctuations, technological developments, changing customer expectations and intense competition have compelled organizations to reconsider their leadership practices. Small and medium enterprises (SMEs) are particularly vulnerable because they often operate with limited financial, technological and human resources. Their ability to retain competent employees, enhance productivity and respond to changing business demands is therefore essential for organizational sustainability.

Leadership plays a significant role in determining how organizations mobilize and develop their human resources towards achieving organizational objectives. Transformational leadership provides an important framework for understanding how leaders influence employee motivation, commitment and organizational performance. Its four dimensions are idealized influence, inspirational motivation, intellectual stimulation and

individualized consideration (Bass & Riggio, 2006). Individualized consideration is particularly important because it recognizes that employees have different abilities, experiences, developmental needs and personal circumstances. Transformational leaders demonstrate individualized consideration by showing concern for their followers, providing mentorship, coaching employees and supporting their professional and personal development. Such leaders recognize employees as individuals rather than treating them merely as instruments for accomplishing organizational tasks.

Avolio and Yammarino (2002) emphasize the importance of leaders demonstrating concern and support for their followers. Similarly, individualized consideration involves developing employees through personalized attention, encouragement, guidance and opportunities for growth. When employees feel valued and supported, they are more likely to develop confidence, improve their capabilities and demonstrate greater commitment to organizational objectives. In the SME environment, these leadership practices are particularly significant. Unlike large organizations, SMEs may have limited capacity to recruit new employees whenever they experience staff turnover. Consequently, developing and retaining existing employees becomes an important strategy for maintaining organizational effectiveness. Employees who receive appropriate guidance, training and coaching are better positioned to improve service delivery, satisfy customers and contribute to organizational growth.

Previous research has examined the relationship between transformational leadership and employee performance in different organizational contexts. Hosna et al. (2021) reviewed the relationship between the four dimensions of transformational leadership and sustainable employee performance. Magasi (2021) examined the moderating effect of individualized consideration on the relationship between intellectual stimulation and performance in the banking sector in Tanzania. Ngaithe et al. (2016) investigated transformational leadership and staff performance in Kenyan state-owned enterprises. These studies demonstrate the importance of transformational leadership in influencing employee and organizational outcomes. However, the relationship between individualized consideration and organizational growth within autocare SMEs in Kenya remains an important area for empirical investigation.

This study therefore examined the role of individualized consideration in the growth of autocare SMEs operating in Roysambu Sub-County, Nairobi County, Kenya. The study conceptualized individualized consideration through three elements: employee development, caring and coaching. Organizational growth was examined through four dimensions: open systems, organizational learning, high-performance work practices and stakeholder satisfaction.

CONCEPTUAL AND EMPIRICAL LITERATURE REVIEW

Individualized Consideration and Transformational Leadership

Transformational leadership is a leadership approach that seeks to elevate and transform followers while promoting positive organizational change. Burns (1978) introduced the concept of transforming leadership, while Bass (1985) advanced its application within organizational settings. Bass and Riggio (2006) subsequently discussed the four dimensions of transformational leadership, including individualized consideration. Individualized consideration refers to leadership behaviour characterized by personalized attention, empathy, support, mentorship and concern for the development of individual employees. Leaders demonstrating this attribute recognize that employees have different strengths, weaknesses, aspirations and developmental needs.

Rather than applying a uniform approach to managing employees, transformational leaders provide individualized support that enables employees to improve their capabilities and contribute meaningfully to organizational objectives. In the present study, individualized consideration was examined through three interconnected elements: employee development, caring and coaching.

Employee Development and Organizational Growth

Employee development refers to deliberate organizational efforts to enhance employees' knowledge, competencies, skills and professional capabilities. It includes providing learning opportunities, assigning developmental responsibilities and supporting employees in acquiring the competencies required for improved

performance. In SMEs, employee development is particularly important because employees often perform multiple responsibilities and must adapt to changing operational requirements. In autocare businesses, for example, employees require technical competencies in vehicle maintenance, mechanical repair, spare parts management, car washing and other automotive services.

Leaders who identify individual employee capabilities and provide appropriate developmental opportunities strengthen the human capital available within their organizations. McShane and Glinow (2018) emphasize the importance of human capital and workplace practices in organizational effectiveness. Employee development also contributes to organizational learning by enabling employees to acquire, share and apply knowledge in their daily responsibilities. Consequently, employee development can improve service quality, operational efficiency and customer satisfaction, thereby contributing to organizational growth.

Caring and Concern for Employees

Caring is an important expression of individualized consideration. It involves recognizing employees' individual circumstances, demonstrating empathy, listening to their concerns and providing appropriate organizational support. Transformational leaders demonstrate concern for their employees by creating supportive working environments in which individuals feel respected, appreciated and valued. Such practices strengthen employee confidence and self-esteem.

Avolio and Bass (1993) associate transformational leadership with the development and empowerment of followers. In organizational settings, employees who perceive that their leaders value and support them are more likely to develop positive attitudes towards their work and the organization. In autocare SMEs, caring may be demonstrated through fair treatment, recognition of individual contributions, supportive supervision and consideration of employees' developmental and work-related challenges. These practices can strengthen employee commitment and reduce the likelihood of unnecessary staff turnover. This is important because SMEs depend heavily on the skills and experience of their employees to maintain service delivery and operational continuity.

Coaching and Mentorship

Coaching is another important dimension of individualized consideration. It involves providing employees with guidance, feedback, encouragement and practical assistance to improve their performance. Transformational leaders act as mentors and coaches by helping employees understand their responsibilities, overcome work-related challenges and develop the competencies required for effective performance.

Coaching is particularly relevant in autocare SMEs because employees undertake practical and technical responsibilities that require continuous learning and experience. Employees may need guidance in vehicle diagnostics, customer relations, equipment handling, repair procedures and service quality. Through regular coaching, leaders can identify performance gaps, provide corrective guidance and encourage employees to improve their work practices. This approach also contributes to organizational learning because knowledge and experience are transferred between leaders and employees and among employees themselves. Effective coaching can therefore strengthen employee capabilities, improve operational efficiency and contribute to organizational growth.

Individualized Consideration and Organizational Growth

Organizational growth extends beyond increases in revenue and profitability. It encompasses the organization's ability to adapt to its environment, develop human capital, improve organizational learning and maintain productive stakeholder relationships. McShane and Glinow (2018) identify organizational practices and human capital development as important elements of organizational effectiveness.

In this study, organizational growth was conceptualized through four perspectives:

Open systems: This refers to the organization's ability to interact with and adapt to its external environment. Autocare SMEs must understand customer needs, respond to market changes and maintain relationships with external stakeholders.

High-performance work practices: These involve workplace practices that strengthen employees' knowledge, skills, motivation and capacity to contribute to organizational objectives.

Organizational learning: This refers to the ability of an organization to acquire, share, utilize and retain knowledge for continuous improvement.

Stakeholder satisfaction**:** This concerns the organization's ability to establish productive relationships with employees, customers, suppliers and business owners while addressing their needs and expectations.

Individualized consideration can contribute to these dimensions by developing employees who possess the necessary skills, confidence and motivation to improve organizational effectiveness.

METHODOLOGY

Research Philosophy and Design

The study adopted a post-positivist philosophical worldview. A cross-sectional descriptive research design was employed to examine the relationship between individualized consideration and organizational growth. The design enabled the researcher to collect quantitative information from employees working in autocare SMEs and establish the statistical relationship between the study variables.

Target Population and Sampling

The target population comprised 276 employees drawn from 30 autocare SMEs operating in Roysambu Sub-County, Nairobi County, Kenya. Stratified random sampling and purposive sampling techniques were used to select respondents. The study targeted 84 respondents, representing approximately 30% of the target population.

Data Collection

Data were collected using structured questionnaires. The research instrument was pre-tested to establish its reliability and validity before administration. Questionnaires were distributed using the drop-and-pick method. The instrument collected information on individualized consideration and organizational growth.

Data Analysis

Data were organized and coded using Microsoft Excel and subsequently analyzed using IBM SPSS Statistics Version 26. Descriptive statistics were used to summarize respondents' characteristics and responses to the study variables. Inferential statistics, including regression analysis, analysis of variance (ANOVA) and regression coefficients, were employed to establish the influence of individualized consideration on organizational growth.

The regression model was expressed as:

$Y = \beta_0 + \beta_2 X_2 + \varepsilon$

Where:

Y = Organizational growth

β_0 = Regression constant

β_2 = Regression coefficient

X_2 = Individualized consideration

ε = Error term

RESULTS AND DISCUSSION

Response Rate

A total of 84 questionnaires were distributed to the selected respondents. Out of these, 80 questionnaires were returned. However, 10 questionnaires were incorrectly completed and excluded from the final analysis. Consequently, 70 questionnaires were considered valid for analysis, representing a response rate of 83.3%. The response rate provided an adequate basis for analyzing the relationship between individualized consideration and organizational growth among the sampled autocare SMEs.

Respondents' Profile

The study examined respondents' demographic characteristics in terms of gender, age, educational attainment and work experience. The findings indicated that 56% of the respondents were male, while 44% were female. Regarding age, the majority (43%) were between 15 and 25 years, while 7% were above 45 years. In terms of educational attainment, 46% had secondary education, 41% had tertiary education and 13% had university education.

Regarding work experience, 46% had worked for less than one year, 29% had between one and three years of experience, while 11% had more than five years of experience. These findings demonstrate the importance of employee development and coaching within the autocare SME sector, particularly given the relatively young workforce and the considerable proportion of employees with limited work experience.

Inferential Statistics: Individualized Consideration and Organizational Growth

The second specific objective of the thesis was to establish the influence of individualized consideration on organizational growth of autocare SMEs in Roysambu Sub-County, Kenya. To achieve this objective, regression analysis was conducted using the coefficient of determination (R-square), analysis of variance and regression coefficients.

Table 1: Model Summary for Individualized Consideration and Organizational Growth

Statistic	**Value**
R	.961
R-square	.923
Adjusted R-square	.922
Standard error of estimate	.359

Source:Field (2022).

The findings revealed a strong positive relationship between individualized consideration and organizational growth (R = .961). The coefficient of determination (R^2 = .923) indicated that individualized consideration explained 92.3% of the variation in organizational growth among the sampled autocare SMEs.

This finding demonstrates the substantial explanatory power of individualized consideration within the study's bivariate regression model.

Table 2: ANOVA for Individualized Consideration and Organizational Growth

Source	Sum of Squares	df	Mean Square	F	Sig.
Regression	104.367	1	104.367	811.887	.000
Residual	8.741	68	.129		
Total	113.108	69			

Source: Field Data (2022).

The ANOVA results indicated that the regression model was statistically significant, $F(1, 68) = 811.887$, $p < .001$. This demonstrates that individualized consideration significantly predicted organizational growth among the autocare SMEs studied.

Table 3: Regression Coefficients for Individualized Consideration and Organizational Growth

Variable	B	Std. Error	Beta	t	Sig.
Constant	-.807	.154		-5.231	.000
Individualized Consideration	1.125	.039	.961	28.494	.000

Source: Field Data (2022).

The regression coefficients indicated that individualized consideration had a positive and statistically significant influence on organizational growth ($B = 1.125$, $\beta = .961$, $t = 28.494$, $p < .001$).

The regression equation was therefore:

$Y = -0.807 + 1.125X_2$

The findings imply that a one-unit increase in individualized consideration was associated with a 1.125-unit increase in the organizational growth score, holding the model specification constant. The results demonstrate that leaders who invest in employee development, show concern for individual employees and provide appropriate coaching can contribute significantly to organizational growth.

DISCUSSION OF FINDINGS

The findings established that individualized consideration had a strong positive and statistically significant relationship with organizational growth among autocare SMEs in Roysambu Sub-County. The coefficient of determination ($R^2 = .923$) suggests that individualized consideration accounted for a substantial proportion of the variation in organizational growth in the separate regression model. These findings support the argument that employees constitute an important organizational resource whose development and well-being should be prioritized by organizational leaders.

First, employee development enables individuals to improve their technical and professional competencies. In autocare SMEs, employees with improved technical capabilities are better positioned to undertake vehicle maintenance, repairs, customer service and other operational responsibilities. This contributes to improved service quality and operational effectiveness.

Second, caring and concern for employees strengthen their sense of belonging and organizational commitment. Leaders who listen to employees, recognize their contributions and demonstrate empathy create supportive

working environments. Such environments can improve employee confidence, commitment and willingness to contribute towards organizational objectives.

Third, coaching and mentorship provide employees with the guidance and feedback required to improve their performance. Through coaching, leaders can identify employee weaknesses, reinforce strengths and facilitate continuous learning.

The findings are consistent with the arguments advanced by Bass and Riggio (2006), who emphasize the developmental role of transformational leaders. They also correspond with the position of Avolio and Yammarino (2002) that individualized consideration involves demonstrating concern for followers and supporting their development.

An additional finding from the thesis requires consideration. Although individualized consideration demonstrated a positive and statistically significant relationship with organizational growth when examined independently, its coefficient was positive but not statistically significant when all four dimensions of transformational leadership were entered simultaneously into the multiple regression model ($\beta = .258$, $p = .110$).

This suggests that individualized consideration has a significant independent relationship with organizational growth, but its unique contribution is not statistically distinguishable from zero after controlling for the other transformational leadership dimensions in the combined model. The finding underscores the importance of considering the complementary and overlapping nature of transformational leadership practices.

CONCLUSION AND RECOMMENDATIONS

Conclusion

The study concludes that individualized consideration plays an important role in enhancing the growth of autocare SMEs in Roysambu Sub-County, Nairobi County, Kenya. The strong positive relationship ($R = .961$) and coefficient of determination ($R^2 = .923$) demonstrate the substantial explanatory contribution of individualized consideration in the separate regression model.

The findings establish that leaders who demonstrate concern for their employees, provide opportunities for development and offer coaching can strengthen employee capabilities and contribute to organizational effectiveness. Individualized consideration is therefore not merely an interpersonal leadership practice but an important organizational development strategy. Its application can strengthen human capital, organizational learning, high-performance work practices and stakeholder satisfaction.

Recommendations

Based on the findings, the study makes the following recommendations:

1. Institutionalize employee development programmes.

Managers and owners of autocare SMEs should establish deliberate employee development initiatives. These should include technical training, skills development, exposure to new automotive technologies and opportunities for employees to acquire additional competencies. Such initiatives can improve service quality and strengthen organizational capacity.

2. Promote caring and supportive leadership.

Leaders should demonstrate genuine concern for employees by listening to their concerns, recognizing individual contributions and providing appropriate support. They should create working environments characterized by mutual respect, fairness and appreciation. These practices can strengthen employee commitment and organizational attachment.

3. Strengthen coaching and mentorship.

Autocare SME managers should adopt regular employee coaching and mentorship practices. Supervisors should provide constructive feedback, guide employees in solving work-related problems and support the development of technical and interpersonal competencies.

4. Align individual development with organizational objectives.

Employee development should be linked to organizational performance requirements. Managers should identify individual employee strengths and developmental needs and ensure that learning opportunities contribute to improved productivity, customer satisfaction and operational efficiency.

5. Integrate individualized consideration into organizational leadership practices.

Owners and managers should integrate individualized consideration into their wider transformational leadership approach. Employee development, caring and coaching should complement inspirational motivation, idealized influence and intellectual stimulation to support sustainable organizational growth.

Contribution to Knowledge and Implications

This study contributes to transformational leadership literature by demonstrating the relationship between individualized consideration and organizational growth within the autocare SME sector in Kenya.

Its findings extend the application of transformational leadership beyond large corporations and public institutions to smaller enterprises whose operational effectiveness depends significantly on employee competencies and commitment.

The study also provides practical implications for SME owners, managers and supervisors by emphasizing the importance of investing in employees through development, caring and coaching.

The findings may inform leadership development initiatives and human resource management practices in other SMEs operating in comparable business environments.

Suggestions for Further Research

Further studies should examine individualized consideration and organizational growth in other SME sectors and geographical locations in Kenya. Comparative studies involving SMEs and large enterprises could also establish whether the relationship differs according to organizational size, resource availability and employee management practices.

Future research could additionally investigate the mechanisms through which employee development, caring and coaching influence organizational learning, employee retention, customer satisfaction and organizational performance.

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