

Evaluating the Role of Accounting in Ensuring Quality Financial Controls in Laboratory Operations in Selected Companies in the Philippines

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Abstract

This study investigates the influence of leadership styles on financial performance within the pharmaceutical industry in Metro Manila, Philippines. Using a comparative research design, the study examines how different leadership approaches—transformational, transactional, and laissez-faire—impact organizational outcomes, including revenue growth, profitability, and cost efficiency. A sample of 100 leaders from various pharmaceutical companies was selected using purposive sampling. The study also examines the key challenges faced by leaders in implementing effective leadership styles and provides strategies for enhancing leadership effectiveness and aligning leadership practices with financial goals. The findings indicate that transactional and laissez-faire leadership styles are predominantly practiced in the pharmaceutical industry, with transformational leadership being less common. Transactional leadership was found to be highly effective in achieving short-term financial goals and ensuring operational efficiency, while laissez-faire leadership promoted autonomy and creativity but led to inconsistent financial results. The study also revealed that factors such as age, educational background, and leadership position significantly influence the impact of leadership styles on financial performance. The challenges of resistance to change, high employee turnover, and limited resources were identified as significant barriers to effective leadership. Based on these findings, the study recommends that pharmaceutical companies invest in developing transformational leadership practices, align leadership strategies with financial goals, and implement leadership development programs tailored to industry needs. Additionally, promoting mentorship, fostering diversity within leadership teams, and addressing organizational challenges are key to improving leadership effectiveness and optimizing financial performance.

Keywords: leadership styles, financial performance, pharmaceutical industry

Introduction

The pharmaceutical industry is crucial in global healthcare, contributing significantly to public health outcomes and economic growth. In the Philippines, particularly in Metro Manila, the sector has

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grown substantially, driven by an increasing demand for healthcare services and a growing population. This growth, while beneficial, has heightened the pressure on pharmaceutical companies to improve their financial performance to remain competitive. As such, the influence of leadership styles on organizational outcomes, particularly financial performance, has garnered significant attention in recent years. Leadership is regarded as a critical determinant of success, influencing employee motivation, operational efficiency, and financial results (McClellan, 2020). Effective leadership is essential for steering organizations towards sustainable growth in this dynamic and highly regulated sector.

Leadership styles refer to leaders' different approaches to motivate, guide, and manage their teams. These styles include transformational, transactional, and laissez-faire leadership, each characterized by distinct traits and impacts on organizational dynamics. Transformational leadership, which focuses on inspiring and motivating employees toward innovation and change, has been linked to improved organizational outcomes (Lim et al., 2022). On the other hand, transactional leadership, which emphasizes task structure and reward-based systems, also yields positive results in certain contexts. Laissez-faire leadership, a more hands-off approach, grants autonomy to employees but may lead to inefficiencies without adequate oversight. Understanding the relationship between these leadership styles and financial performance is crucial for organizations aiming to optimize their strategies and improve their bottom line.

Leaders in the pharmaceutical industry face a unique set of challenges that make their roles more complex and demanding. The sector is highly regulated, with stringent standards governing everything from product development to marketing and distribution. These regulations often vary across different markets, requiring leaders to navigate a maze of compliance requirements, which can slow down decision-making processes and increase operational costs. Additionally, the pharmaceutical industry is characterized by rapid technological advancements and constant innovation, which requires leaders to stay abreast of new developments and integrate them into their organizations. In Metro Manila, these challenges are further compounded by local market conditions, such as varying consumer needs, economic fluctuations, and healthcare policy changes, which complicate leadership decisions. Leaders must balance the need for innovation with maintaining strict compliance, all while ensuring that their organizations remain financially viable and competitive in a dynamic and often unpredictable environment. These challenges demand leaders who are strategic thinkers and adept at managing change, mitigating risks, and driving organizational performance under pressure. Managing these competing demands successfully ensures that pharmaceutical companies in Metro Manila can achieve sustainable growth and financial success.

In the pharmaceutical industry, leadership effectiveness is particularly significant due to the complexity of the regulatory environment, rapid technological advancements, and the critical nature of the products and services offered. Studies have suggested that leadership competencies such as strategic thinking, change management, and employee engagement are vital for success within pharmaceutical organizations (Center for Creative Leadership, 2014). However, research focusing specifically on the impact of leadership styles on financial performance within the Philippine pharmaceutical sector remains limited. This gap in the literature calls for a focused study that explores the relationship between leadership styles and financial outcomes in Metro Manila's pharmaceutical companies.

This research aims to bridge the gap above by examining how leadership styles influence financial performance in Metro Manila's pharmaceutical sector. This study provides valuable insights to inform

leadership development initiatives and strategic planning within the industry by analyzing various leadership approaches and their corresponding financial outcomes. The insights derived from this study will be instrumental for pharmaceutical companies in Metro Manila, helping them refine their leadership practices to align with operational and financial goals in a competitive and rapidly evolving market.

This research's findings are expected to significantly contribute to the existing body of knowledge on leadership and organizational performance, offering practical implications for industry practitioners and policymakers. By identifying the leadership styles that correlate with superior financial performance, pharmaceutical organizations in Metro Manila can adopt best practices that promote long-term success. This research will also inform leadership development programs, providing pharmaceutical companies with the tools to cultivate effective leadership that drives financial growth and innovation.

As the pharmaceutical industry in Metro Manila continues to evolve, the ability of organizations to adapt to changes in the market and regulatory landscape will depend largely on the quality of leadership. Effective leadership can help organizations navigate these challenges while maintaining operational efficiency and driving financial success. The pharmaceutical sector's reliance on continuous innovation, strict compliance, and high-quality standards makes it particularly important to understand the link between leadership styles and financial performance. This research aims to fill that knowledge gap and provide actionable recommendations for improving leadership practices in the industry.

Ultimately, this study aspires to support the development of leadership frameworks that foster organizational growth and competitiveness in the Philippine pharmaceutical industry. By aligning leadership strategies with financial objectives, pharmaceutical organizations can better position themselves to thrive in a globalized, fast-paced, and competitive environment. Through a deeper understanding of the relationship between leadership and financial performance, this research hopes to contribute to the long-term sustainability and success of the industry.

Objectives of the Study

This study aims to examine the relationship between leadership styles and financial performance in the pharmaceutical industry in Metro Manila, Philippines. Specifically, it seeks to achieve the following objectives:

1. To describe the profile of the respondents in terms of:
 - a. Age
 - b. Gender
 - c. Educational background
 - d. Length of service in the pharmaceutical industry
 - e. Leadership position (e.g., supervisor, manager, director)
 - f. Type of leadership training received
2. To identify the predominant leadership styles employed by leaders in the pharmaceutical industry in Metro Manila.
3. To analyze how each leadership style (e.g., transformational, transactional, laissez-faire) influences the financial performance of pharmaceutical organizations in Metro Manila.

4. To determine the key challenges faced by leaders in implementing effective leadership styles within the pharmaceutical sector.
5. To examine whether there is a significant difference in the impact of leadership styles on financial performance when respondents are grouped according to their profile variables (e.g., age, gender, educational background, or leadership position).
6. To propose strategies and recommendations to enhance leadership effectiveness and optimize financial performance in the pharmaceutical industry in Metro Manila.

Methodology

The present study used a comparative research design (Naik & Peterson, 2009) to address the study's research goal.

Participants and Sampling. The participants in this study consisted of leaders and managers from the pharmaceutical industry in Metro Manila, Philippines, including supervisors, managers, and directors who influenced organizational operations and financial performance.

Using purposive sampling, 100 respondents were selected based on the following criteria: 1) They held a leadership position such as supervisor, manager, or director; 2) They had at least two years of experience in the pharmaceutical industry; 3) They had some responsibility or influence over financial performance; and 4) They consented to participate in the study. The sample represented various pharmaceutical companies, ensuring diversity in leadership styles, organizational sectors, and demographic profiles, such as age, gender, educational background, and leadership experience. This approach ensured that the study addressed its research questions effectively by focusing on individuals with relevant expertise and experience.

Research Instruments

To achieve the study's objectives, the researcher will use the following instruments:

Demographic Profile Questionnaire: This section collects basic information about the respondents, including their age, gender, education, and experience, providing context for data analysis.

Leadership Styles Questionnaire: This survey evaluates the leadership styles (transformational, transactional, laissez-faire) of respondents using a 5-point Likert scale, categorizing respondents by their predominant leadership style.

Financial Performance Metrics Questionnaire: This section measures the perceived impact of leadership on key financial metrics—revenue growth, profitability, and cost efficiency—using a Likert scale to compare performance with industry benchmarks.

Challenges in Leadership Implementation Questionnaire: This part identifies the challenges leaders face in the pharmaceutical industry, such as regulatory issues and market competition.

Impact of Leadership Styles on Financial Performance Questionnaire: This section analyzes the relationship between leadership styles and financial performance, examining how demographic factors affect this relationship.

Recommendations and Strategies Questionnaire: This section gathers insights on improving leadership effectiveness and aligning leadership styles with financial performance.

Data Gathering Procedures. The data-gathering procedure was conducted systematically to ensure accuracy, reliability, and ethical compliance. The structured survey questionnaire was developed based on the study's objectives and validated by a panel of experts. A reliability test using Cronbach's alpha was performed, and revisions were made based on feedback. Approval was obtained from institutional ethics review boards and pharmaceutical companies. 100 leaders from pharmaceutical companies in Metro Manila were recruited in this study. The questionnaire was pilot-tested with 30 respondents to refine the survey. The finalized instrument was distributed electronically and physically, accompanied by a cover letter explaining the study's purpose and ensuring confidentiality. Respondents had one week to complete the survey, with follow-ups for timely submissions. Data was securely stored and anonymized to protect confidentiality. Statistical analysis was performed using descriptive statistics, correlation analysis, and ANOVA to address the research questions. This procedure ensured reliable and ethical data collection aligned with the study's objectives.

Data Analysis. Data will be analyzed using Jamovi (The Jamovi project, 2022) with the following statistical methods:

1. Frequencies and Percentages: These will summarize the respondents' demographic data, such as age, gender, education, leadership role, and training.
2. Weighted Mean: This will determine the predominant leadership styles (transformational, transactional, laissez-faire) and assess their impact on financial performance metrics (revenue growth, profitability, cost efficiency).
3. Analysis of Variance (ANOVA): ANOVA will examine whether demographic factors (e.g., age, gender, and education) influence the relationship between leadership styles and financial performance.
4. Mean Scores for Challenges and Recommendations: The mean score will identify the key challenges leaders face and evaluate the effectiveness of proposed leadership strategies.

Results and Discussion

The study explores the impact of leadership on financial performance.

1. Profile of the respondents

Table 1 explores the demographic characteristics of respondents, offering insights into their age, gender, marital status, educational qualifications, monthly income, and preferences for food products in online ordering.

Most respondents are aged 33 to 39, comprising 40% of the sample, while those aged 26 to 32 account for 32%. A minority of responses fall within the 40 to 47 age range (17%), while the lowest number (11%) is observed among those aged 47 to 53. This distribution indicates that the principal participants are in the early to mid-career phases, perhaps affecting their expenditure patterns and preferences for online food products.

Table 1
Profile of the respondents (n = 100)

Profile	Frequency	Percentage
Age		
20-29 years old	26	26%
30-39 years old	34	34%
40-49 years old	27	27%
50 years old and above	13	13%
Gender		
Male	58	58%
Female	42	42%
Education Level		
Bachelor's Degree	64	64%
Master's Degree	28	28%
Doctorate	8	8%
Length of Service in the Pharmaceutical Industry		
Less than 5 years	22	22%
6–10 years	34	34%
11–15 years	14	14%
More than 15 years	30	30%
Leadership Position		
Supervisor	58	58%
Manager	26	26%
Director	16	16%
Type of Leadership Training Received		
Formal Training	53	53%
Programs Mentorship	18	18%
Self-directed Learning	16	16%
None	13	13%

The demographic profile of the respondents in this study shows that the majority are between 30 and 39 years old (34%), with a notable portion being 40-49 years old (27%). Most respondents were male (58%), and 64% held a Bachelor's Degree, indicating a highly educated workforce. In terms of experience, 34% had between 6 to 10 years in the pharmaceutical industry, and 58% held supervisory roles, reflecting a significant number in middle management. Additionally, more than

half (53%) had received formal leadership training, highlighting the importance of skill development within the industry.

The findings suggest that the pharmaceutical leadership landscape is composed of experienced, well-educated individuals with a predominant male representation. Most leaders have substantial industry experience and have participated in leadership development programs, ensuring they are well- equipped to lead effectively. This demographic profile provides a solid foundation for examining the impact of leadership styles on financial performance in the pharmaceutical sector.

2. Predominant leadership style in the Pharmaceutical Industry

The data represents how online business consumers in NCR engaged with cognitive indicators, as seen in the survey. The table presents the average scores and standard deviations for cognitive engagement measures. It offers insights into the frequency and intensity with which customers contemplate and actively pursue knowledge regarding their favored brands.

Table 2
Predominant leadership style in pharmaceutical industry

Category	Mean	Interpretation
Transformational leadership	3.24	High
Transactional leadership	3.48	Very High
Laissez-faire leadership	3.42	Very High

Table 2 presents the findings on the predominant leadership styles within the pharmaceutical industry. The mean scores indicate that Transactional leadership (mean = 3.48) and Laissez-faire leadership (mean = 3.42) are both rated as "Very High," suggesting that leaders in the pharmaceutical industry predominantly exhibit behaviors associated with these styles. Transactional leadership, focused on structured tasks, rewards, and performance, appears to be highly prevalent, indicating a preference for results-driven, performance-based leadership. Similarly, Laissez-faire leadership, characterized by minimal interference and granting autonomy to employees, also holds a significant place, suggesting that some leaders prefer a more hands-off approach.

Meanwhile, Transformational leadership (mean = 3.24) was rated as "High," which indicates that while transformational leadership, centered on motivating and inspiring employees towards growth and innovation, is valued, it is not as widely practiced as transactional and laissez-faire styles in the industry. This indicates that while the leaders in the pharmaceutical sector show a tendency towards motivating their teams, their approach is often more transactional or autonomous rather than transformational. The overall leadership style mix reflects a balance of performance-driven approaches and empowerment, which is typical in industries where compliance, operational efficiency, and autonomy are critical.

The dominance of Transactional and Laissez-faire leadership styles in the pharmaceutical industry has significant implications for both leadership development and organizational performance. The prevalence of transactional leadership suggests that pharmaceutical companies may prioritize clear structures, performance metrics, and reward systems to drive employee behavior. This is critical in an industry where regulatory compliance, operational efficiency, and

meeting specific performance targets are essential. However, the high score for Laissez-faire leadership may indicate that a significant number of leaders in this sector tend to delegate decision-making and provide employees with a high level of autonomy. While this can promote innovation and creativity, it may also lead to a lack of accountability and potentially hinder coordination within the organization.

The relatively high score for Transformational leadership, though lower than the other two styles, highlights an opportunity for pharmaceutical companies to further develop this leadership approach. Transformational leadership, which emphasizes inspiring and motivating employees toward long-term goals, could drive greater innovation and adaptability in the face of an evolving pharmaceutical landscape. There may be a need for organizations to invest more in leadership development programs that foster transformational behaviors to align with the increasing need for innovation and change management within the industry.

3. Influence of leadership style on the financial performance

Table 3
Influence Of Leadership Style On The Financial Performance

Category	Indicators	Mean	Interpretation
Transformational leadership	Improves revenue growth through innovation.	3.5	Very High
	Enhances profitability by motivating employees.	3.6	Very High
	Increases cost efficiency through collaboration.	3.4	High
	Drives long-term financial stability.	3.6	Very High
	Promotes adaptive strategies in competitive markets.	3.6	Very High
Transactional leadership	Ensures profitability by maintaining compliance.	3.5	Very High
	Achieves short-term revenue goals through structured approaches.		High
		3.2	
	Reduces operational costs by focusing on efficiency.		Very High
		3.8	
Laissez-faire leadership	Improves financial accountability through performance monitoring.	3.5	Very High
	Stabilizes financial outcomes in regulated environments.		Very High
		3.4	
	Encourages creative solutions that lead to financial gains.	3.8	Very High
	Allows flexibility, improving cost efficiency.		Very High
		3.7	
	Promotes financial innovation through employee autonomy.	3.3	High
	Leads to inconsistent financial results due to minimal oversight.	3.2	High
	Relies on team-driven financial strategies.	3.5	Very High

Table 3 provides an analysis of the influence of different leadership styles on financial performance. The results indicate that Transformational leadership has a particularly strong positive impact on various aspects of financial performance, with most indicators rated as "Very High." For example, Transformational leadership improves revenue growth through innovation (mean = 3.5), enhances profitability by motivating employees (mean = 3.6), drives long-term financial stability

(mean = 3.6), and promotes adaptive strategies in competitive markets (mean = 3.6). The consistent "Very High" ratings suggest that transformational leaders are highly effective in driving innovation, profitability, and strategic adaptability, which are essential for long-term financial success. Cost efficiency is rated as "High" (mean = 3.4), indicating that while transformational leadership contributes to collaboration and cost savings, it might not always directly target operational efficiency.

Transactional leadership also shows significant influence on financial performance, with most indicators rated as "Very High." Notably, Transactional leadership ensures profitability by maintaining compliance (mean = 3.5), improves financial accountability through performance monitoring (mean = 3.5), and reduces operational costs by focusing on efficiency (mean = 3.8). The high rating for reducing operational costs shows the strength of transactional leadership in maintaining efficient operations and achieving short-term financial goals. However, achieving short-term revenue goals (mean = 3.2) is rated as "High," suggesting that while transactional leadership is effective in the short term, it might not always drive the same level of revenue growth as transformational leadership, particularly in dynamic markets.

Laissez-faire leadership shows a mixed influence on financial performance. The style has a high rating for encouraging creative solutions that lead to financial gains (mean = 3.8) and improving cost efficiency (mean

= 3.7), with both indicators rated as "Very High." This suggests that providing employees with autonomy and flexibility can foster creativity and innovation, leading to improved financial outcomes. However, the indicator leads to inconsistent financial results due to minimal oversight (mean = 3.2) is rated as "High," suggesting that laissez-faire leadership can result in instability when oversight is insufficient. While laissez-faire leadership promotes financial innovation (mean = 3.3), it does so at the risk of inconsistency, showing that minimal management control may affect the consistency of financial outcomes. The findings suggest that Transformational leadership is the most effective style for fostering long-term financial success through innovation, employee motivation, and adaptability. This is particularly important in the pharmaceutical sector, where companies need to stay competitive and adapt to rapid market changes. Transactional leadership, while effective in ensuring compliance, efficiency, and short-term gains, may not be as effective in driving long-term innovation and profitability. Therefore, pharmaceutical companies might benefit from incorporating more transformational leadership practices to complement the structured and compliance-driven nature of transactional leadership.

On the other hand, Laissez-faire leadership can offer benefits in fostering creativity and cost efficiency but may lead to inconsistent financial results due to its minimal oversight. This suggests that companies should be cautious in applying laissez-faire leadership to critical financial decision-making areas and consider combining it with more structured leadership approaches to ensure stability.

4. Key challenges faced by leaders in implementing effective leadership styles in the pharmaceutical industry

Table 4 presents the key challenges faced by leaders in implementing effective leadership styles in the pharmaceutical industry. The results highlight several significant obstacles to leadership

effectiveness, with most of the challenges identified as "Very High" or "High." The challenge of resistance to change from employees was identified as the most significant barrier, with a mean score of 3.7, which falls under the "Very High" category. This finding indicates that organizational leaders in the pharmaceutical industry frequently encounter difficulty when trying to implement new leadership styles or strategies, as employees may resist change. This is a common issue in industries that require strict adherence to processes and regulations, where employees may be accustomed to traditional ways of working.

Table 4
Key challenges faced by leaders in implementing effective leadership styles

Challenges Identified	Mean	Interpretation
Regulatory compliance limits the flexibility of leadership styles	3.3	High
Resistance to change from employees hinders leadership effectiveness.	3.7	Very High
High employee turnover affects leadership implementation	3.5	Very High
Limited resources constrain effective leadership practices.	3.8	Very High
Organizational culture impacts the adoption of leadership styles.	3.8	Very High

Another challenge identified as "Very High" was high employee turnover, with a mean score of 3.5. High turnover can destabilize leadership efforts and make it harder for leaders to maintain consistent strategies and engage with employees over the long term. It may also disrupt continuity, making it difficult for leaders to implement their vision and sustain organizational performance.

Limited resources and the impact of organizational culture on leadership styles both received mean scores of 3.8, also rated as "Very High." Resource constraints often limit leaders' ability to apply effective leadership practices, particularly in industries with significant regulatory and operational complexities like pharmaceuticals. Organizational culture can further complicate leadership implementation, as existing values and norms may either support or hinder the adoption of new leadership styles. This challenge suggests that the organizational environment plays a crucial role in determining how leadership styles are perceived and implemented.

Finally, regulatory compliance, with a mean score of 3.3, was identified as a "High" challenge. The pharmaceutical industry is heavily regulated, and strict compliance standards can limit the flexibility of leadership styles. Leaders may struggle to balance regulatory requirements with the need for innovation or flexibility in their leadership approaches, which may impede organizational agility and growth.

The findings suggest that pharmaceutical leaders face substantial challenges that hinder their ability to implement effective leadership styles. The high levels of resistance to change, employee turnover, limited resources, and cultural factors highlight the complexities of leadership within this industry. These challenges underscore the importance of developing strategies to address organizational culture, increase employee engagement, and ensure stable leadership during periods of change.

5. Impact of Leadership Styles on Financial Performance When Grouped by Respondent Profile

Table 5 presents the analysis of the impact of leadership styles on financial performance when grouped by the respondents' profiles. The analysis was conducted using Analysis of Variance

(ANOVA), and the results show significant relationships between leadership styles and financial performance for certain demographic variables.

Table 5

Impact of Leadership Styles on Financial Performance When Grouped by Respondent Profile

Profile	F-value	P-value	Interpretation
Age	3.45	0.015	Significant
Gender	1.98	0.085	Not Significant
Educational Background	4.23	0.008	Significant
Leadership Position	5.12	0.004	Significant

The age profile had a significant effect on the relationship between leadership styles and financial performance, with an F-value of 3.45 and a p-value of 0.015, which is less than the 0.05 threshold. This suggests that age plays a significant role in how leadership styles impact financial outcomes. Younger and older leaders may approach leadership in distinct ways, influencing organizational performance differently.

Gender did not significantly impact the relationship between leadership styles and financial performance, with an F-value of 1.98 and a p-value of 0.085. Since the p-value exceeds 0.05, this indicates that gender does not play a significant role in determining the effectiveness of leadership styles in this context.

The educational background of the respondents showed a significant relationship with financial performance (F-value = 4.23, p-value = 0.008). This implies that educational qualifications are an important factor in determining how leadership styles affect financial outcomes, with those possessing higher educational credentials likely employing leadership approaches that have a more substantial impact on organizational performance.

Finally, the leadership position had a significant influence on financial performance, with an F-value of 5.12 and a p-value of 0.004. This indicates that individuals in different leadership roles (e.g., supervisors, managers, and directors) perceive and apply leadership styles differently, which can lead to varying financial outcomes. Those in higher leadership positions likely have a more direct influence on financial decisions, making their leadership styles more impactful.

The findings suggest that demographic factors, such as age, educational background, and leadership position, significantly influence how leadership styles affect financial performance. Organizations in the pharmaceutical sector should consider these factors when selecting and developing leaders to ensure the alignment of leadership styles with financial objectives. For example, the influence of age on leadership effectiveness suggests that tailoring leadership development programs to different generational needs may improve organizational outcomes. The significant effect of educational background highlights the importance of continuous learning and development for leaders to enhance their ability to drive financial performance.

The lack of a significant effect of gender on financial performance suggests that leadership effectiveness is not determined by gender, supporting the need for diverse leadership teams regardless of gender. Lastly, the significant role of leadership position in shaping financial outcomes emphasizes the

importance of equipping leaders at various levels with the necessary tools and strategies to influence financial performance effectively. This insight encourages pharmaceutical companies to provide targeted leadership development programs that cater to the specific needs and responsibilities of leaders at different organizational levels.

6. Strategies and Recommendations

Table 6 outlines respondents' perceptions of strategies to enhance leadership effectiveness and optimize financial performance in the pharmaceutical industry. The data, presented as weighted mean (wm) scores, assess various strategies, including leadership development programs, mentorship, diversity, financial alignment, and continuous education. The highest-rated strategy was "Aligning leadership practices with organizational financial goals," with a weighted mean of 3.8, indicating strong agreement. This highlights the importance of aligning leadership strategies with financial objectives to enhance decision-making, resource allocation, and accountability. McClellan (2020) emphasizes that such alignment is vital in regulated industries like pharmaceuticals, where financial sustainability is crucial for operational decision-making success.

Table 6
Strategies and Recommendations

Strategies and recommendations identified	Mean	Interpretation
Implementing leadership development programs tailored to industry needs	3.6	Very High
Encouraging mentorship and coaching for new leaders	3.2	High
Promoting diversity and inclusion within leadership teams	3.4	Hig
Aligning leadership practices with organizational financial goals	3.8	Very High
Investing in continuous education and training for leaders	3.7	Very High

Investing in continuous education and training for leaders" followed closely with a weighted mean of 3.7, reflecting strong agreement. This underscores the necessity of ongoing skill enhancement to adapt to the evolving pharmaceutical landscape. Northouse (2021) notes that continuous education equips leaders with the tools needed to remain effective amidst industry changes. "Promoting diversity and inclusion within leadership teams" received a weighted mean of 3.4, highlighting the value of diverse leadership in fostering innovation and broadening perspectives. Kerdpitak (2023) argues that diversity improves decision-making and problem-solving, crucial for addressing the needs of diverse stakeholders in the pharmaceutical industry. The strategy "Implementing leadership development programs tailored to industry needs" scored 3.6, indicating strong support. This finding emphasizes the importance of context-specific leadership programs. Eberly et al. (2018) suggest that customized programs effectively equip leaders with the necessary skills to address industry-specific challenges. The lowest-rated strategy, "Encouraging mentorship and coaching for new leaders," received a mean score of 3.2, still categorized as agreement. While mentorship is recognized as valuable, its relatively lower score suggests it may be perceived as less critical

compared to other strategies. Chammas and Hernandez (2019) note that mentorship's effectiveness largely depends on the quality of the mentoring relationship and the mentor's ability to provide relevant guidance.

Conclusions

This study examined the impact of leadership styles on financial performance in the pharmaceutical industry, with a focus on the perceptions and experiences of organizational leaders in Metro Manila. The findings revealed that Transactional and Laissez-faire leadership styles are predominantly employed in the sector. Transactional leadership was found to be effective in achieving short-term objectives and operational efficiency, while Laissez-faire leadership encouraged autonomy and innovation—though not without risks, particularly in consistency and accountability.

Transformational leadership, although less commonly practiced, emerged as a crucial style associated with long-term financial stability, organizational innovation, and adaptability. Leaders who demonstrated transformational behaviors contributed to building resilient and forward-looking organizations.

The demographic analysis indicated that leadership in the pharmaceutical sector is largely composed of experienced, well-educated professionals, with a notable concentration of male leaders occupying supervisory and managerial positions. Variables such as age, educational attainment, and leadership position were shown to significantly influence the effectiveness of leadership styles in driving financial outcomes. These findings suggest that the impact of leadership on performance is not merely stylistic but is also shaped by the leaders' background and organizational context.

Recommendations

In light of the study's findings, the following recommendations are proposed to enhance leadership effectiveness and optimize financial performance in the pharmaceutical industry:

1. *Promote Transformational Leadership Development.* Pharmaceutical companies should invest in cultivating transformational leadership by offering targeted leadership development programs that emphasize vision setting, motivational strategies, innovation, and strategic thinking.
2. *Balance Leadership Styles.* While transactional leadership ensures operational efficiency, it should be complemented with transformational practices to promote innovation and long-term growth. Training programs should help leaders develop adaptive styles suited to different organizational challenges.
3. *Align Leadership Practices with Financial Goals.* Leadership training must integrate financial literacy and strategic financial management to ensure alignment between leadership behavior and organizational performance indicators. This will enhance decision-making, resource utilization, and accountability.
4. *Tailor Leadership Programs to Demographic Profiles.* Leadership development initiatives should be responsive to leaders' backgrounds—such as their experience level, education, and leadership roles—to ensure relevance and effectiveness.

5. *Invest in Continuous Professional Development and Mentorship.* Ongoing learning opportunities should be made available to update leaders on regulatory changes, industry trends, and innovation. Mentorship programs can further support leadership succession and institutional knowledge transfer.
6. *Foster Diversity and Inclusion in Leadership.* Promoting diversity in leadership teams can lead to more creative problem-solving and inclusive decision-making. Companies should actively seek to include diverse voices—across gender, age, and cultural backgrounds—in leadership development pipelines.
7. *Address Organizational Challenges to Leadership Implementation.* Companies must proactively manage barriers such as resistance to change, staff turnover, and resource constraints. Creating a supportive organizational culture, engaging employees in leadership initiatives, and allocating sufficient resources will help mitigate these challenges.

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