

**PERCEIVED LEADERSHIP STYLES AND EMPLOYEE INVOLVEMENT IN
PRIVATE SECTOR COMMERCIAL BANKS OF NEPAL**

A Thesis

By:

Kumari Gita Kunwar

Central Department of Management

Class Roll No.: 94/017

Exam Roll No.: 1159/2017

T.U. Registration No: 7-2-38-55-2012

In partial fulfillment of the requirement for the degree of

Master in Business Studies (M.B.S.)

In the

Faculty of Management

Tribhuvan University

Kirtipur, Kathmandu

March, 2020

Certification of Authorship

I certify that the work in this thesis entitled "**Perceived Leadership Style and Employee Involvement in Private Sector Commercial Banks of Nepal**" has not previously been submitted for a degree nor has it been submitted as part of requirement for a degree except as fully acknowledged within the text.

I also certify that the thesis has been written by me. Any help that I have received in my research work and the preparation of the thesis itself has been acknowledged. In addition, I certify that all information sources and literature used are indicated in the reference section of the thesis.

(.....)

Kumari Gita Kunwar

Date:

RECOMMENDATION LETTER

It is certified that thesis entitled "**Perceived Leadership Style and Employee Involvement in Private Sector Commercial Banks of Nepal**" submitted by Kumari Gita Kunwar is an original piece of research work carried out the candidate under my supervision. Literary presentation is satisfactory and the thesis is in a form suitable for publication. Work evinces the capacity of the candidate for critical examination and independent judgment. The thesis is forwarded for examination.

Prof. Dr. Sanjay Kumar Shrestha

Thesis supervisor

Central Department of Management

Tribhuvan University, Kirtipur

Kathmandu, Nepal

Date:

APPROVAL SHEET

We, the undersigned, have examined the thesis entitled "**Perceived Leadership Style and Employee Involvement in Private Sector Commercial Banks of Nepal**" prepared by Kumari Gita Kunwar, a candidate for the degree of master of business Studies (MBS semester) and conducted the viva voce examination of the candidate. We hereby certify that the thesis is worthy of acceptance.

.....

Professor Dr. Sanjay Kumar Shrestha

Thesis Supervisor

.....

Internal Examiner

.....

External Examiner

.....

Prof. Dr. Sanjay Kumar Shrestha

Chairperson, Research Committee

.....

Prof. Dr. Ramji Gautam

Head of Central Department of Management

Date:

ACKNOWLEDGEMENTS

This study entitled "**Perceived leadership style and employee involvement in private sector commercial banks of Nepal**" has been conducted for the partial requirements for the degree of Master of Business studies (MBS) of Tribhuvan University. Every project whether big or small is successful largely due to the effort of a number of wonderful people who have always given their valuable advice. I sincerely appreciate the inspiration; support and guidance of all those people who have been instructed in making this study a success.

My foremost appreciation and thanks goes to my honorable supervisor, Prof. Dr. Sanjay Kumar Shrestha for his close supervision and professional advice and encouragement during the research work. I am highly indebted and very thankful for his continuous support and constructive suggestions that have enabled this research work to achieve its present form.

Special mention goes to Prof. Dr. Sanjay Kumar Shrestha (Chairperson, research committee) all member of research committee for timely and continuous guidance throughout the study. They were not only the reviewed my work but also suggested valuable advice and insights. I would like to express cordial gratitude Prof. Dr. Ramji Gautam (Head of the Department) for his inspiration and support to complete this research work. I also highly appreciate the effort of all teacher and other member of the Central Department of Management.

Finally I am grateful to my parents and family for their full encouragement and support in order to make this study come fruitful. Their continuous motivation towards the path of my academic pursuit, constant financial and moral support has steered me to complete my Master's Degree.

Kumari Gita Kunwar

ABSTRACT

The objective of this research was to determine if significant relationship exist between leadership styles and employee involvement among employees from private sector commercial banks of Nepal. This study sampled 124 employees working at 5 commercial banks of Nepal. Primary data were collected through questionnaire survey. Thus collected data were analyzed using excel and SPSS. The result of this research study indicated that transformational $r(124) = 0.708$ and charismatic $r(124) = 0.640$ leadership styles were effective in positively influencing the levels of employee involvement. The sub-factors idealized influence, attributed and behavioral; inspirational motivation; individualized consideration; and intellectual stimulation were characteristics that promoted intrinsic motivation and increased levels of employee involvement in service organization. Which suggest for enhancing inspirational motivation along with other five sub-components to increase employee involvement. The test of relationship between employee involvement and transactional leadership produced moderate positive correlation of $r(124) = 0.640$. Finally, laissez-faire leadership style is considered as that leadership style which does not exist in private sector banks of Nepal. Today's leaders are facing challenge to make the employee engaged. The problems for leaders are determining the conditions in which some employees are fully engaged while others are not. From literature reviews some studies shows that leadership style itself is one of the major determinants of employee involvement.

Keyword: Transformational leadership, transactional leadership, charismatic leadership, laissez-faire leadership and employee's involvement

Table of Content

Title Page	Page No.
<i>CERTIFICATION OF AUTHORSHI</i>	i
<i>RECOMMENDATION LETTER</i>	ii
<i>APPROVAL SHEE</i>	iii
<i>ACKNOWLEDGEMENT</i>	iv
<i>TABLE OF CONTENTS</i>	v
<i>LIST OF TABLE</i>	viii
<i>ABBREVIATONS</i>	x
<i>ABSTRACTS</i>	xi
CHAPTER 1: INTRODUCTION	1-7
1.1 Background of the study	1
1.2 Problem statement and research question	4
1.3 Purpose of the study	5
1.4 Significance of the study	6
1.5 Limitations of the study	6
1.6 Chapter plan	7
CHAPTER 2: LITERATURE REVIEW	8-28
2.1 Conceptual review	8
2.2 Review of journal articles	8
2.3 Research gap	26
2.4 Theoretical framework	27
CHAPTER 3: RESEARCH METHODOLOGY	29-32
3.1 Research design	29
3.2 Population and sample	29
3.3 Sources of data	29
3.4 Data collection procedure	30
3.5 Data processing procedure	30
3.6 Data Analysis tools and techniques	30

CHAPTER 4: RESULTS	33-64
4.1 Respondent's demographic profile	33
4.2 Descriptive analysis	39
4.2.1 Descriptive statistics of leadership style	40
4.2.1.1 Transformational leadership in private sector commercial banks of Nepal	40
4.2.1.2 Charismatic leadership in private sector commercial banks of Nepal	45
4.2.1.3 Transactional leadership style in private sector commercial banks of Nepal	45
4.2.1.4 Laissez-faire leadership in private sector commercial banks of Nepal	48
4.2.2 Descriptive statistics for employee involvement and its presence in private sector commercial banks of Nepal	49
4.3 Correlation between leadership style and employee involvement	51
4.4 Hypothesis testing	54
4.5 Regression analysis of leadership style and employee involvement	55
4.5.1 Leadership style and employee involvement	56
4.5.2 Transformational leadership and employee involvement	58
4.5.3 Charismatic leadership and employee involvement	59
4.5.4 Transactional leadership and employee involvement	60
4.6 Major finding	61
CHAPTER 5: CONCLUSIONS	65-68
5.1 Discussion	65
5.1 Conclusion	67
5.3 Implications	67
REFERENCES	69-74
APPENDIX -I	75-77

LIST OF TABLE

Table No.	Title	Page
4.1	Gender of respondents	33
4.2	Marital status of respondents	34
4.3	Age group of respondents	34
4.4	Qualification of respondents	35
4.5	Income of respondents	35
4.6	Banking experience of respondents	36
4.7	Experience of respondents with current supervisor	37
4.8	Department of respondents	38
4.9	Position of respondent	39
4.10	Descriptive statistics of idealized influence attributed	41
4.11	Descriptive statistics of idealized influence behavioral	41
4.12	Descriptive statistics of inspirational motivation	42
4.13	Descriptive statistic of intellectual stimulation	43
4.14	Descriptive statistics of individual consideration	43
4.15	Descriptive statistics of transformational leadership	44
4.16	Descriptive statistics of charismatic leadership	45
4.17	Descriptive statistics of contingent reward	46
4.18	Descriptive statistics of management by exception active	47
4.19	Descriptive statistics of management by exception passive	47
4.20	Descriptive statistics of transactional leadership	48

4.21	Descriptive statistics of employee involvement	50
4.22	Correlation of transformational sub-factors and employee involvement	52
4.23	Correlation of transactional sub-factors and employee involvement	53
4.24	Correlation of leadership style and employee involvement	53
4.25	Test of collinearity	56
4.26	Output of regression coefficient, ANOVA and R^2 of model 1	57
4.27	Output of regression coefficient, ANOVA and R^2 of model 2	58
4.28	Output of regression coefficient, ANOVA and R^2 of model 3	59
4.29	Output of regression coefficient, ANOVA and R^2 of model 4	60

LIST OF FIGURE

2.1	Theoretical framework	28
-----	-----------------------	----

ABBREVIATIONS

ANOVA	:	Analysis of Variance
CR	:	Contingent Reward
IC	:	Individual Consideration
IIA	:	Idealized Influence Attributed
IIB	:	Idealized Influence Behavioral
IM	:	Inspirational Motivation
IS	:	Intellectual Stimulation
MLQ	:	Multifactor Leadership Questionnaire
MEA	:	Management by Exception Active
MEP	:	Management by Exception Passive
N	:	Number of Respondents
R	:	Regression Coefficient
SPSS	:	Statistical Package for Social Studies
SD	:	Standard Deviation
CV	:	Coefficient of variation
VIF	:	Variance Inflation Factor

CHAPTER I

INTRODUCTION

1.1 Background of the study

Leadership, as defined by (Northouse P. G., 2010) is a process whereby an individual influences a group of individuals to achieve a common goal. Leadership style is the way in which that process is carried out. Performance is the accomplishment and execution of tasks. Performance is the extent to which an organization achieves a set of pre-defined targets that are unique to its mission. Leadership style is a key determinant of the success or failure of any organization. Numerous literatures on management mention various leadership styles and frameworks such as autocratic leadership, bureaucratic leadership, charismatic leadership, transactional leadership, and transformational leadership, all of which are based on several different approaches to leadership. Each style of leadership affects organizational performance differently; some helping organizations succeed and others hamper their growth leading to failure. Whereas many different leadership theories have emerged from the last century, early theories on leadership concentrated on identifying qualities that differentiated between leaders and followers. Subsequent theories on leadership looked at other variables such as situational issues and levels of skill. Over time, a number of theories on leadership and performance have been proposed. (Alsolami, Cheng, Cheng, & Twalh, 2016) observes that leadership theory types include two axes: of those which are related to organizational effectiveness and tend to be more prescriptive in orientation, and of those which are primarily analytic and meant to better understand the concept. However, it is not always easy to classify any of the theories as one or the other exclusively. 2 A bank is an institution that provides financial services, including issuing money in various forms, receiving deposits of money, lending money and processing transactions and the creating of credit. Commercial banks are financial intermediaries that serve as financial resource mobilization points in the global economy. The role of banks in an economy is paramount because they execute monetary policy and provide means for facilitating payment for goods and services in the domestic and international trade

A critical issue and growing interest for organizational leaders is employee involvement. (Jacques, Garger, & Vranceva, 2016) Defined employee involvement

as engagement, satisfaction, and enthusiasm with work. Involved employees work beyond the job description and toward organizational objectives. Involved employees also contribute to organizational success as a link between company reputation and stakeholder value (Gallup, 2010; Lockwood, 2007) (Krueger & Killham, 2005). However, disinvolved employees lack interest in work, make poor decisions, and take excessive time off from the job (Pech & Slade, 2006). Blessing White posited the industry with the highest proportion of involved employees is human resources (HR) consulting/training. A concern for leaders is determining the conditions in which some employees are fully involved while others are disinvolved (Wildermuth & Pauken, 2008).

Within the organization, the leadership team creates and nurtures the (Corace, 2007). Leaders are responsible for creating a relationship between the employee and the organization (Lockwood, 2007). Leaders play a key role in employee involvement and the leadership quality influences this involvement (McBain, 2006). Leaders must implement a plan to attract, hire, manage, and retain employees. Because money is not always a motivator for employees, leaders must offer certain nonmonetary incentives (Woodruffe, 2006)

Differences in opinion exist in defining the employee involvement paradigm. Opposing views on employee involvement philosophies occur between the practitioner community and the academic community. According to (Catteuw, Flynn, & Vonderhorst, 2007) employee involvement relates to value, collaboration, and trust.

(McBain, The practice of engagement, 2007) Associated employee involvement to goal alignment within the organization. In addition, (Wellins, Bernthal, & Phelps, 2005) affirmed employee involvement is the connection between the organization, the leader, and the individual. Opinions in defining involvement lead to uncertainty in determining whether employee involvement is an attitude or behavior or whether employee involvement is an individual or group phenomenon (Little & Little, 2006). Without a standard definition, the effect is confusion in the organization. Organizational leaders should continue to search for employee involvement evidence in terms of the return on investment (Mastrangelo, 2009).

Opposing views also exist in determining situations that cause involvement barriers. Barriers in the workplace contribute to low involvement and include behaviors, rules, and cultures that cause problems for employees and challenges for leaders (Lockwood N. , 2007). Leaders, who fail to appreciate employees, do not recognize employees, and provide little feedback and coaching, cause disinvolvement. Such disinvolvement leads to lack of trust or confidence in leaders. In a changing work environment, the diverse set of jobs makes it difficult for organizational leaders to specify roles and responsibilities (Masson, Royal, Agnew, & Fine, 2008). A culture in which employees' jobs do not match expectations or employees have unrealistic goals also contributes to involvement barriers (Schiemann, 2006). The decline in employee involvement could have an effect on productivity, customer service, and performance.

Managing employee involvement levels within the organization is a concern for leaders. By allocating time and investing money, leaders can conduct employee surveys as a benchmark for involvement (Sanchez, 2007). Communicating the results of the involvement surveys and taking action for improvement is a positive step for leaders. Leaders who know employees' involvement levels can identify effective strategies and action plans. Increasing employee involvement levels is difficult and complex (Richardson, Burke, & Martinussen, 2006). Four predominant leadership styles include transformational, charismatic, transactional and laissez-faire (Bass, 1990) (Avolio & Bass, 2005). Transformational leaders have such characteristics as enhancing commitment, articulating vision, and inspiring others (Piccolo & Colquitt, 2006). Charismatic shows charisma and inspiring vision to influence followers. Transactional leaders focus on rewards or punishments to gain compliance (Kirkbride, 2006). Laissez-faire leaders have non leader characteristics.

(McBain, The practice of engagement, 2007) Indicated leaders have the greatest influence on employee involvement in the organization. However, the leadership style based on experience and knowledge may not be effective in all situations (Rad & Yarmohammadian, 2006). Organizational leaders need to assess their leadership style to ensure a fully engaged workforce. The study findings also contribute useful information to the body of knowledge regarding the leaders-follower relationship.

The research provides knowledge concerning the outcomes of a particular behavior of leaders and the effect on employee's motivation to involve.

Leadership style is a balance between managerial behaviors and attitudes (Durbrin, 2009). Evidence exists between managerial leadership behaviors primarily influence employee's perceived levels of self-efficiency and involvement. This study may contribute to the improved understanding of commercial banks leadership's ability to select and train supervisors/leaders that are able to better facilitate engaged employees to result in improved organization performance. The results of this study provide knowledge to help leaders understand employee's perceptions of effective and ineffective leadership behaviors.

The banking sector is very important as it is the major contributor of Nepalese economy in services industry and that the interest in this sector is very important. Despite the world global financial crisis and along with the bad economic conditions of the country this sector had produced stable results. Therefore, this sector needs professional leaders who can achieve maximum goals of both employees and organizations.

Gaps in knowledge regarding the relationship between the leaders' styles and their influence on employee involvement at banking sector of Nepal. To the best of researchers' knowledge no research has been carried still in this regard with respect to national.

1.2 Problem statement and research questions

Employee involvement is a major challenge for organizational leaders. Disinvolved employees negatively affect multiple business areas, such as customer service, productivity, profit, and performance in the workplace. The general problem is determining the conditions in which some employees are fully involved while others are disinvolved (Wildermuth & Pauken, A perfect match: Decoding employee engagement - Part II: Engaging jobs and individuals, 2008). The increase in competition in banking sector, the increase concern for motivation of employees to provide customer driven services, focus on retain and serve customer and consistent collaboration between managers (leaders) and employees in banking sector demands

for this study. There would be a direct influence of manager's leadership style on the attitudes of employees. This research addressed the general and specific problems of establishing relationships between leadership styles and employee involvement in the private sector commercial banks of Nepal.

There are various issues which leads this research study. Some of the research issues are:

- i. Which types of leadership style are adopted by Nepalese private sector commercial banks?
- ii. What is the significant impact of leadership styles on performance of commercial banks of Nepal?
- iii. Is there any relationship between leadership style and employee involvement in private sector commercial banks of Nepal?

1.3 Purpose of the study

The purpose of this research was to determine if significant relationships exist between leadership styles and employee involvement among employee from private sector commercial banks of Nepal. The aim of the study was to determine if certain leadership styles exhibited by leaders foster an environment for employees to engage in the workforce. The study participants included full-time working employees. The employees of private commercial bank at Kathmandu valley of Nepal is taken for this study. The general objective of this study is to explore the impact of employee's perceived leadership style on employee involvement in Nepalese private sector commercial banks. Specific objectives of this study are as follows.

- i. To determine the leadership styles adopted by Nepalese private sector commercial banks.
- ii. To analyze the impact on leadership performance of a commercial bank depends on the leadership style adopted.
- iii. To determine the relationship between leadership style and employee involvement in private sector commercial banks of Nepal.

1.4 Significance of the study

Employees disinvolved when leaders fail to appreciate employees, do not recognize employees, and provide little feedback and coaching. Employee involvement ties to several key factors of business performance. (Gummadi & Sharma, 2013) Finds employees of banking industry having good relationship with their supervisor's shows greater Employee involvement and vice versa.

- i) This research study adds to the body of knowledge regarding the relations between leadership styles and employee involvement from private commercial bank of Nepal.
- ii) This study provides information regarding how supervisor behaviors influence employee desire to give discretionary effort in the commercial banking sector of Nepal.
- iii) This study may contribute to the improved understanding of commercial bank leadership's ability to select and train supervisors/leaders that are able to better facilitate engaged employees to result in improved organization performance.
- iv) The study findings also contribute useful information to the body of knowledge regarding the leader-follower relationship.

1.5 Limitations of the study

The sample is taken only from some of the commercial banks of Nepal situated in Kathmandu, which may limit the generalization of the findings. Another limitation included the reporting format. The closed end questionnaire were used, format did not allow respondents to choose more than one answer to describe a leadership behavior or involvement characteristics. Other limitation was that environmental conditions such as changes in work volume, recent employee grievances, employee fatigue, or other unplanned people and business-related issues events could intervene with the co-relational relationship between variables in the study. Some of the limitations are as follows:

- i. This study is limited to only transformational, charismatic, transactional, and laissez-faire style of leadership to explain its effect on employee involvement in Nepalese private commercial bank of Nepal.

- ii. The study is limited to only private sector commercial banks of Nepal and sample is taken from Kathmandu valley employee only. So future research needs to be done in order to generalize.
- iii. Data were primary in nature, and collected through questionnaire form respondents are assumed to be representative of the population.

1.6. Chapter plan

The study is organized into the following five chapters:

Chapter 1 – Introduction.

Chapter 2 – Review of Literature

Chapter 3 – Methodology

Chapter 4 – Result

Chapter 5 – Conclusion

Chapter 1 is the introductory part of the study. This chapter describes the general background of the study, focus of the study, statement of the problem; propose of the study, rationale of the study and limitations of the study.

Chapter 2 includes a discussion on the conceptual framework and review of the related and pertinent literature available. The conceptual considerations and review of related literature conducted in this chapter provides a framework with the help of which the study has been accomplished.

Chapter 3 describes the research methodology employed in the study. In this chapter, research design, nature and sources of data, methods of data collection and tools and techniques of data analysis are discussed.

Chapter 4 consists of presentation and analysis of data, which deals with the empirical analysis of the study and the major findings of the study.

Chapter 5 is the conclusion of the study. It contains discussion, conclusion, and implication.

CHAPTER II

LITERATURE REVIEW

The purpose of this study is to examine the relationship between leadership styles and employee involvement of private sector commercial banks of Nepal. This chapter explores historical and current thinking regarding the dependent variable of employee involvement and the independent variables of employees perceived leadership style of immediate supervisor. The purpose of this literature review was to examine each of the study's variables through historical perspectives and current findings to provide a foundation of understanding regarding the topic and to support the need for research regarding employee involvement in banking sector. Leadership has become the most widely studied aspect of organizational behavior and a number of theories have emerged focusing on the traits, styles and situational approach to leadership. The first section of the literature review presents an overview of leadership theories, followed by second section, that investigate transformational leadership, transactional leadership, charismatic leadership and laissez-faire leadership. The third section presents an overview of employee involvement and examines the elements of involvement and key workplace outcomes. The relationship of leadership styles with employee involvement is explained in third section. The final sections of the literature review derive conclusions and present theoretical framework.

2.1 Conceptual review

2.2 Review of journal articles

1. Leadership

Several definitions emerged in the literature review on leadership study. An early researcher, Bingham (1927) described leadership as a group performing activities to accomplish a common purpose. Throughout the years, various definitions appeared. Leadership involves a two-way process between the leader and the follower (Kesby, 2008). (Robbins, Judge, & Hasham, 2009) Described leadership as the ability to influence a group toward a vision or set of goals. Such influences within the organization can be formal or informal. Formal influence occurs with the position of authority whereas informal influence occurs when an individual takes on certain responsibilities. (Robbins, Judge, & Hasham, 2009).

i. Trait theory of leadership

Discussion of the trait theory began in the 1880s. Early researchers believed leaders were naturally born with specific traits (Dwivedi, 2016) Researchers associated leadership with certain qualities that distinguished leaders from followers.

Personality as the quality for describing leadership. The personality study attempted to identify enduring characteristics of individual's behaviors. (Robbins, Judge, & Hasham, 2009). Bowden's research addressed physical and social characteristics.

Physical factors included height, weight, and voice pitch. Other physical characteristics used in describing leaders included skin complexion, hair color, and eye color. Leadership social factors included popularity, recognition, power, and influence. Research on student leaders revealed physical personality factors were less important in leadership. Social characteristics benefit interactions in the social.

(Schenk, 1928) Acknowledged leadership is the demonstration of personal power. His research, in a military setting, focused on individuals who persuade and inspire. Schenk found three major characteristics distinguished leaders from followers: character, ability, and prestige. The character trait involved a leader's skill in building a follower's confidence and guiding the follower in a specific direction. Research by (Tead, 1935) described leadership as an influence. Leaders who displayed kindness and concern for employees also influenced this behavior in followers. Leaders also had the technical mastery trait. Through acquired knowledge and experience, leaders could teach these skills to followers (Tead, 1935). However, the weakness in the trait characteristics caused researchers to reject the pure trait theory (Bass, Bass & Stogdill's handbook of leadership: theory, research, and managerial application (3rd ed.), 1990). In the late 1940s, Jenkins challenged the trait theory and the assumption that leaders were born. (Jenkins, 1947) Found leadership characteristics varied according to specific situations. His research on leadership included participants from industry and government, as well as scientific and professional personnel, schoolchildren, schools, and the military. Jenkins also noted leadership characteristics varied for individuals in similar situations.

In the 1960s and 1970s, researchers added to the trait theory by concluding an individual's effectiveness determined a leader. (Ghiselli, 1963) Found five important traits for managerial function and success. The intelligence trait validated the results from early research by (Tead, 1935). The initiative trait involved the motivation to start an action and the capability to implement the action. Ghiselli noted the self-assurance trait enabled individuals to deal effectively with problems. In addition, individuals were confident and displayed sound judgment. His research also cited supervisory ability and perceived occupational levels as factors for effectiveness (Ghiselli, 1963).

ii. Behavioral theory of leadership

Behavioral theories of leadership state that it is the behavior of leaders that distinguishes them from their followers. It focuses on the actions of leaders rather than on mental qualities or internal states with the belief that great leaders are made, not born. According to this theory, people can learn to become leaders through teaching and observation. Behavior theories examine whether the leader is task oriented, people oriented, or both. Studies conducted at the University of Michigan and Ohio State University in 1945, established two major forms of leader behavior namely: employee-centered and production centered (Hersey & Blanchard, 1982).

Research on the behavioral theory began in the late 1930s (Shriberg & Shriberg, 2010). Leadership research shifted from specific traits of leaders to the actions of leaders positing that individuals learn certain qualities that enable leadership development. Leaders can change their behavior to emulate effective leaders. Leader's behaviors as democratic or autocratic. The democratic leaders' behaviors allow freedom among the group members and assists in providing advice to members. Democratic leaders value flexibility and empathy (Nickels, 2008). Autocratic leaders are effective with employees who need guidance (Nickels, 2008). In the research by (Lewin & Lippitt, 1938) the group with a democratic leader displayed cooperativeness and constructiveness. The members also displayed a higher level of unity. The group with an autocratic leader displayed tension and hostility toward each other. Disorganization in the group structure occurred with leadership influence withdrawn (Lewin & Lippitt, 1938).

Ohio State Leadership Studies: Fleishman et al. (1955) conducted the Ohio State Leadership Studies. A systematic approach to measuring leadership behaviors resulted in the development of the Leader Behavior Description Questionnaire (LBDQ). Two behavior dimensions emerged from the analysis: consideration and initiating structure (Fleishman et al., 1955).

The Managerial Grid: Another model influenced by the behavior theory is the managerial grid, also known as the leadership grid. Blake and Mouton (1982) determined certain leadership styles and mapped them to a nine-scale grid. The x-axis represented concern for production and y-axis represented concern for people. The styles mapped on the grid included country club (1, 9), task (9, 1), impoverished (1, 1), middle-of-the-road (5, 5), and team (9, 9). The development of the managerial grid provided a conceptual and attitudinal leadership analysis. (Yukl, Gordon, & Taber, 2002) Identified three behavior categories that depict leaders: task behavior, relations behaviors, and change behaviors. Leaders who display task behaviors develop schedules, provide short-term planning, and monitor unit activities. Relations-oriented leaders demonstrate certain levels of effort to establish and maintain employee relationships (Kilburn & Cates, 2010). Changed-oriented leaders encourage creative ideas by seeking improvements (Yukl, Gordon, & Taber, 2002).

The behavior theories had several strengths. The behavior research was instrumental in developing management principles (Benson, 2008). (Northouse, 2019) Stressed the behavioral theories highlight the importance of task behavior and relationship behavior in the leadership process. The behavioral theories also provided insight into the consideration and ability to initiate structure shown by leaders. (Robbins, Judge, & Hasham, 2009). The theories enabled leaders to assess their actions and make improvements as necessary (Nawar, 2014). Critics of behavioral theories critics noted several weaknesses. The theories do not link leadership behavior to certain outcomes, such as (a) job satisfaction, (b) morale, and (c) productivity (Northouse, 2007).

iii. Contingency & situational theory of leadership

Contingency theory is an approach to leadership in which leadership effectiveness is determined by the interaction between the leader's personal characteristics and aspects of the situation. Contingency theories are based on the assumption that the

relationship between leadership style and organizational outcomes is moderated by situational factors related to the environment, and therefore the outcomes cannot be predicted by leadership style, unless the situational variables are known (Cheng and Chan, 2002).

The contingency theories were popular from the 1960s (Benson, 2008). Researchers of these theories incorporated new ideas and elements from past theories. Browning (2007) noted that the objective of these theories was to match the correct leadership style with the situation.

Contingency Model of Leadership: (Fiedler, 1964) proposed a framework of leaders' personality effects on group performance. The contingency theory included the relations between organizational setting and leadership style; highlighting leaders' effectiveness in different contexts (Northouse P. G., 2010). Fiedler (1964) developed the least preferred coworker (LPC) scale to measure three situations relating to the relationship motivated and task motivated styles. The leader-member relations scale measured how followers view leaders according to loyalty and trust. The power position scale measured the level of authority to punish or reward followers. The task structure scale measured the ambiguity or clarity level of tasks (Northouse P. G., 2010).

Situational theory: Hersey and Blanchard (1982) discussed the importance of different leader styles when communicating with employees. The results indicated a leader adjusts his or her style according to the follower's maturity. Hersey and Blanchard (1982) stated leaders should engage in relationship and task behaviors. The situational theory researchers discussed four leadership styles: selling, delegating, participating, and telling (Northouse P. , 2009). The selling or coaching style is two-way communication in which leaders solicit input from followers. The participating or support style includes shared decision making between leader and follower. Leaders give decision-making authority to followers. The telling or directing style involves one-way communication with the leader giving instructions to followers (Northouse P. G., 2010).

Leader-member exchange theory: The leader-member exchange theory by Graen and Schiemann (1978) addressed behavior interdependencies between leader and member. The research indicated a higher quality exchange produces mutual trust and respect between leaders and members. In contrast, a mid-to-low quality exchange produces a weak relationship (Graen & Schiemann, 1978).

Path-Goal theory: (House, 1971) proposed a path-goal theory that focuses on the effect of leaders' behavior on followers' performance. Leaders exhibited four styles in interactions with followers: participative, supportive, achievement-oriented, and directive (Rainey, 2009). The participative-style leader encouraged followers to express views and ideas. The supportive leader showed compassion and understanding in the leader-follower relationship. Leaders who displayed the achievement-oriented style concentrate on follower's performance according to goals and expectations. Directive-style leaders gave instructions and directions (Rainey, 2009).

The situational theories have several strengths. The theories highlighted opportunities for leaders to build follower's skills and confidence (Yukl, 2009). Situational theory also introduced the idea that followers influence leaders' effectiveness by accepting or rejecting the leaders (Robbins & Judge, 2007).

Critics of contingency theories cited several weaknesses. The quadrants in the situational theory do not consistently define which behavior influenced followers (Yukl, 2009). The path goal theory complexity made it difficult to test its validity (Robbins & Judge, 2007). Benson (2008) noted the theories are difficult to apply.

2. Leadership styles

Every leader in every organization performs certain roles/tasks for the smooth operation of the organization and improvement of organizational performance. One of the most prominent formats for classifying and studying leadership includes three leadership styles – laissez-faire (non-leadership), transactional (based on reward system and punishments) and transformational (based on inspiration and behavioral charismatic (Avolio & Bass, Multifactor Leadership Questionnaire, 1995). Below is a

brief examination of some common leadership style dimensions listed above and their potential impact on organizational performance.

Leadership style is a balance between managerial behaviors and attitudes (Dubrin, 2009). Researchers began to shift their focus in leadership research from trait or situation to an exchange between leaders and followers. Leaders guide followers through task and role clarification, inspire followers through self-development, and allow followers to make decisions (Bass, 1990a; Burns, 1978). Leaders exhibited these behaviors from the transactional, transformational, charismatic or laissez-faire leadership perspectives (Bass, 1990b; Burns, 1978). Charismatic leadership is part of transformational leadership (Avolio & Bass, Multifactor Leadership Questionnaire, 1995). Downton (1973) first discussed transactional and transformational leaders. Burns (1978) added to the theory and provided greater distinctions between the two leadership styles. Further research on transactional and transformational leaders showed these styles complemented each other (Robbins & Judge, 2007). The leadership style model also included laissez-faire (Avolio & Bass, Multifactor Leadership Questionnaire, 1995).

i. Transformational leadership

Beginning in the late 1970s, the transformational approach emerged as a new perspective for understanding and explaining leadership. The transformational approach was first outlined by James MacGregor Burns. He compared traditional leadership, which he labeled as transactional, with a more “complex” and “potent” type of leadership he called transformational. The motivational appeals of the transactional leader are designed to satisfy basic human needs; the appeals of the transformational leader go beyond those basic needs to satisfy a follower’s higher-level needs. According to Abraham Maslow, five hierarchically arranged human needs exist: physiological, safety, belonging and love, self-esteem, and self-actualization. Once our first needs are satisfied, we can turn our attention to the second level.

Transformational leadership style focuses on the development of value system of employees, their motivational level and moralities with the development of their skills. It basically helps follower’s achieve their goals working in the organizational

setting; it encourages followers to be expressive and adaptive to new and improved practices and changes in the environment (Bass, 1994). Bass further explains that such leadership motivates followers; it moves people beyond self-interests and allows them to focus on the good of the group or society. Transformational leaders are able to articulate an appealing vision of the future by communicating ideologies and leading through example. This leadership tends to improve the team's morale and motivates the team members (Stewart, 2006).

Bass (1990b) characterized transformational leaders as those who elevate employees' interests, generate awareness, and build a relationship with followers. Transformational leaders rely on non controlling powers that inspire empowerment and motivation (Rainey, Understanding and managing public organizations (4th ed.), 2009). Transformational leaders promote commitment and articulated vision (Piccolo & Colquitt, 2006). Leaders also help develop others (Larson, 2009) (Larson, 2009). The leadership questionnaire developed consisted of transformational characteristics (Bass, 1990a; Bass & Avolio, 1995). Five attributes emerged describing transformational leaders. The five elements include idealized influence attributes (IIA) and idealized influence behavior (IIB), inspirational motivation (IM), intellectual stimulation (IS), and individualized consideration (IC) (Avolio and Bass, 2004).

Idealized influence attributed: The first element of transformational leaders is idealized influence attributes. Idealized influence attributes occur when followers identify with and emulate those leaders who are trusted and seen as having an attainable mission and vision.

Idealized influence behavioral: Idealized influence Behavior refers to leaders' behavior which results in followers identifying with leaders and wanting to emulate them.

Inspirational motivation: The third attribute of transformational leaders is inspirational motivation. Leaders exemplify an acceptable behavior for subordinates to emulate (Rainey, 2009). With inspirational motivation, leaders encourage followers to take ownership for their actions and achieve high performance.

Intellectual stimulation: The fourth attribute is intellectual stimulation. As stated by Bass (1990b), leaders promote problem-solving practice. Leaders also solicit new ideas and suggestions. Leaders promote developmental activities that enhance learning opportunities. With intellectual stimulation, leaders urge followers to challenge beliefs and revisit problems (Kirkbride, 2006).

Individualized consideration: The fourth attribute is individualized consideration. Leaders communicate through teaching and coaching (Xirasagar, 2008). Leaders also promote improving self and those around them. Leaders mentor followers for development and growth (Bass, 1990b). With individualized consideration, leaders are also coaches or mentors for employees (Robbins & Judge, 2007).

ii. Transactional leadership

Effective transactional leadership style is characterized by transactions or exchanges – the promise of reward for good performance, and discipline for poor performance (Bass, Avolio, Jung and Berson, 2003). Transactional leadership, present in many businesses, may help clarify everyone's roles and responsibilities, and because team members are judged on performance, ambitious people motivated by external rewards often thrive. Some of its measures can also de-motivate employees.

Bass (1990b) indicated leaders who displayed transactional characteristics know the actions followers should take to complete an outcome so they satisfy followers' needs in exchange for certain achievements. Transactional leaders also offered rewards or impose punishments to gain compliance (Kirkbride, 2006). With transactional leadership, followers do not perform beyond expectations (Robbins & Judge, 2007). Whittington, Coker, Goodwin, Ickes, and Murray (2009) stated this type of leadership consists of constructive and corrective transactions. Constructive transactions clarify expectations whereas corrective transactions create desired change (Whittington et al., 2009).

Bass (1990b) and Bass and Avolio (1995) developed a 73-item questionnaire of leader's characteristics. From this research, three attributes emerged describing the leader-follower exchange of transactional leaders. The elements include contingent reward (CR), management by exception (active) (MBEA), and management by exception (passive) (MBEP).

Contingent reward: The first attribute identified is contingent reward. With this characteristic, followers received rewards for effort and good performance as indicated by the agreed contract (Bass, 1990b). The rewards are not always monetary (Kirkbride, 2006). Leaders must offer certain nonmonetary incentives for employees (Woodruffe, 2006). Rewards include time off work, praise, recognition, or work preferences. Leaders set clear goals, objectives, and targets and ensure followers have appropriate resources to complete tasks (Kirkbride, 2006). Followers avoid disciplinary actions if employees are in compliance (Bass, 1990b).

Management by exception (active): The second attribute of transactional leaders is management by exception (active). With the active characteristic, followers and leaders clarify expectations (Bass, 1990a). Leaders monitor follower's performance and search for mistakes (Rainey, 2009). They also control work tasks and notify followers as problems occur (Kirkbride, 2006). Leaders and followers also implement actions to avoid mistakes or correct mistakes (Rainey, 2009).

Management by exception (passive): The third attribute of transactional leaders is management by exception (passive). With the passive characteristics, leaders implement punishments or corrective actions for deviations (Rainey, 2009). Leaders also avoid making changes by emphasizing routine task importance (Kirkbride, 2006).

iii. Charismatic leadership

Charismatic leadership, an initial sub-type of transformational leadership differed from the situational focus, and instead sought to provide employee inspiration through the extraordinary personality of the leader that elicited an emotional response of the followers who felt special and empowered. The basis of charismatic leadership focuses on the ability of the leader to exhibit power based on exceptional skills and abilities to build relationships (Barbuto, 2005). It includes two attribute of transformational leaders that is idealized influence attribute and idealized influence behavior. Leaders are also role models and create an atmosphere of pride and an environment of common purpose.

Charismatic leadership style is considered to be the most successful and valued trait driven leadership style. Charismatic leaders have a vision, as well as a personality that motivates followers to execute that vision. This style provides fertile ground for creativity and innovation, and is often highly motivational. However, a problem arises when they leave the organization – it can appear rudderless and without direction for long because charismatic leaders rarely develop replacements. Their leadership is based upon strength of personality. As a result, charismatic leadership usually eliminates other competing, strong personalities. Charismatic leaders are the “superstars” of leadership. We usually reserve the label “charismatic” for well-known political, social, and business leaders who have had significant impact on the lives of others.

iv. Laissez-faire leadership

Laissez-faire leadership is the leadership style where in the leader gives full freedom to his subordinates to act on their own. It is suitable in the situation where group members are more knowledgeable than leaders. The manager delegates almost all authority and control to subordinates. There is no person of authority in the organization. The manager leads the organization indirectly, he/she does not make decisions; rather he/she abides by popular decisions. There is no setting of goals and objectives by the manager. Tasks are done the way the manager thinks it should be done, but he/she gets involved on request and this may lead to the digression from broad organizational policy. Thus, this style of leadership may be effective with well-motivated and experienced employees (Dubrin, 2009), but could lead to failure when subordinates are deceptive, unreliable and untrustworthy. Laissez-faire style is associated with managers with dissatisfaction, unproductiveness and ineffectiveness.

Leaders who practiced laissez-faire style avoid making decisions (Bass, 1990b). Followers under this leadership style have conflicting roles and responsibilities (Kirkbride, 2006). Researchers characterized laissez-faire as the least effective leadership style (Robbins & Judge, 2007). Laissez-faire leadership contributes to workplace stressors, bullying and distress. However, (Hinkin & Schriesheim, 2008) noted a nonresponsive behavior by leaders could be fair or equitable if poor performance by employees is out of their control.

Employee involvement

For more than 30 years, researchers have worked on employee involvement (Gallup, 2010). The research focused on two main questions “What do the most talented employees need from the workplace?” and “How do the world's greatest managers find, focus, and keep talented employees?” (Buckingham & Coffman, 1999). Through open-ended questions on employee involvement asked of several focus groups, five factors emerged from the data (Buckingham & Coffman, 1999). The work environment and procedures involvement factor addressed the physical work environment. The next factor, immediate supervisor, addressed the supervisor's behavior. The team and coworker factor addressed team members’ perceptions. The overall company and senior management factor addressed company initiatives and leaders. The individual commitment and service factor addressed employees’ commitment to the company (Buckingham & Coffman, 1999). Several issues existed in the study of employee involvement. The practitioner community and the academic community had opposing views on employee involvement impressions. Problems included defining the construct, identifying barriers that affect employee involvement and low involvement, and assessing the various involvement levels.

Defining the construct: Researcher defined employee involvement in different ways. Confusion regarding involvement exists because some organization leaders associated the construct with commitment, job satisfaction and involvement and other leaders associated involvement with different constructs (McBain, 2007). Cateeuw et al. (2007) related employee involvement to value, collaboration, and trust. Schneider et al. (2009) described employee involvement as feelings that included energy and enthusiasm. With the varying definitions of involvement, it is unclear whether employee involvement is an attitude or behavior or an individual or group phenomenon (Little & Little, 2006).

Identifying barriers: Barriers in the workplace can lead to low involvement (Schiemann W. , 2007) Barriers include behaviors, rules and culture that cause problems for employees and challenges for leaders. For example, low involvement can lead to illness (Kimball & Nink, 2006). Employees with low involvement take excessive time off from work (Pech & Slade, 2006).

Certain leader behaviors could cause involvement barriers. Employees disengage when leaders fail to appreciate, do not recognize employees, or provide feedback and coaching (Branham, 2005). As a result, employees lack confidence and trust in leaders (Branham, 2005; Schiemann, 2006). If not recognized and addressed, such disengagement can cause employees to undermine the work unit.

Other engagement barriers include policies and practices that disregard quality of life issues. Balancing work and life is a reality in the workplace. Employees expect a work environment that includes flexibility and fulfillment (McBain, 2006). Implementing effective policies, procedures, and practices could help leaders meet employees' expectations (Richardson et al., 2006). Barriers also exist when employees have unspecified roles and responsibilities (Masson et al., 2008). A decline in employee engagement results when employees' jobs do not match expectations or employees have unrealistic goals (Schiemann, 2006). Employees rely on leaders to provide pertinent information regarding the status and stability of the organization (Polet, 2009). The number of employees who know the organizational strategic direction is fewer than 20% (Schiemann, 2007).

Assessing the involvement levels: Management involvement levels, within the organization are also a concern for leaders (O'Neal & Gebauer, 2006). Leaders are unclear on a realistic involvement level (Welbourne, 2007). Leaders know having a 100% involved workforce is unrealistic (Stairs, Galpin, Page, & Linley, 2006). Several organizations provide different measurements and levels for employee involvement. Leaders can identify effective strategies and action plans to address problems if they know employee's involvement levels (Towers Perrin, 2009).

Researchers at Modern Survey (2009) compiled an engagement index with four levels: fully engaged, moderately engaged, under engaged, and disengaged. The number of positive responses from a five-question survey determines the level of engagement. Towers Perrin (2008) researchers categorized the engagement levels as rational, emotional, and motivation. The original levels included engaged, enrolled, disenchanted, and disengaged. Enhancements to the study added enrolled, which signifies partially engaged and disenchanted, which means partially disengaged (Towers Perrin, 2008). Researchers at Gallup (2010) delineated levels, including

engaged, not engaged, and actively disengaged, assessed through 18 core questions known as the Q18.

Employee engagement drivers: McBain (2007) described employee involvement drivers as factors that create engagement in employees and components that organizational leaders offer employees. McBain identified the organization, management and leadership, and working life as categories of employee involvement drivers. Elements within these categories included organizational culture or brand, the leadership and management team, and the work environment (McBain, 2007). Stairs et al. (2006) identified several employee involvement drivers. First, organizational affiliation involves employees' commitment to the organization. Second, corporate values, ethics, customer services, and work tasks can promote a sense of purpose. Finally, role factors can include opportunities for employees to do their best, especially when performing tasks. (Ketter, 2008) Listed 26 key employee engagement drivers. Examples include learning and development opportunities, a supportive management team, meaningful and challenging work, and recognizing employees work.

The human capital management research discussed by (McMurrer & Bassi, 2007). Identified practices in the organization that drive employee engagement. For example, organizational leaders should show a commitment to employees and recognize employees for work performed. Employees should have opportunities for advancement and development. Organizational leaders should also ensure employees have the time to perform job duties and balance their personal lives. Leaders should also take advantage of employees' skills (Bassi & McMurrer, 2007).

To compete in the global market, organizational leaders need to know what drives involvement, especially in a culturally diverse workforce (Lockwood, 2007). Common global drivers include learning and developing skills, improving skills, organizational reputation, and customers (O'Neal & Gebauer, 2006). Mastrangelo (2009) indicated research from global companies found micro-level and macro-level elements that drive involvement. Employees cited performance feedback and honesty as drivers (Mastrangelo, 2009).

Employee engagement outcomes: The results by Towers Perrin (2008) provided evidence that employee engagement plays an important role in organizational outcomes. A critical factor in the competitive marketplace is employee engagement (Lockwood, 2007). Companies with high employee engagement levels reported increases in financial performance than other companies. Revenue growth, net income, and operating income benefit from such an increase (Towers Perrin, 2008). Sales goals averaged 99% for highly engaged employees whereas sales goals averaged 91% for disengaged employees (Wellins et al., 2005). Employee engagement also plays a part in other organizational outcomes (McBain, 2007). For example, such outcomes as customer satisfaction, customer loyalty, and customer service indicate the relationship between the customer and the organization (McBain, 2007). Retention, recruitment, and turnover are also employee engagement outcomes. Research in a manufacturing company indicated highly engaged teams averaged a turnover rate of 4.1% while less-engaged teams averaged 14.5% (Wellins et al., 2005). Another outcome positively related to employee engagement was individual well-being (Koyuncu, Burke, & Fiksenbaum, 2006).

In a global research on attraction, the top five elements included nonmonetary and monetary drivers. Employees expected competitive pay, work and life balance, career advancement, challenging work, and salary increases (O'Neal & Gebauer, 2006). The top retention drivers included retaining skilled workers, having a fair decision-making process, motivating employees, balancing work and life events, and working for a company with a good reputation (O'Neal & Gebauer, 2006).

Measuring employee involvement: Organizational leaders are allocating time and investing money to measure employee perceptions, which included a focus on employee engagement (Lockwood, 2007; Sanchez, 2007). Employee engagement surveys gauge engagement levels within an organization. Knowing the employee engagement levels could help leaders optimize employee-employer relationships and help move employees to the next engagement level (Sanchez & McCauley, 2006).

Organizational success and survival depends on investing in employees (Bassi & McMurrer, 2007). Information from the engagement surveys provides leaders with the tools to identify gaps and take corrective actions (Schiemann, 2006). Surveys

enable leaders to target capabilities and strengths and weaknesses in organizational performance (Bassi & McMurrer, 2007). In addition, surveys help leaders identify positive areas and practices within an organization (Lawrence, 2007). Leaders who know the employees' engagement levels can identify effective strategies and action plans (Towers Perrin, 2008). Organizational leaders should consider the information resulting from various engagement levels to avoid costly consequences (Kimball & Nink, 2006).

Engaged employees are assets for a dynamic and unpredictable work environment (Chaudhary, Rangnekar, & Barua, 2011). Employees work toward organizational objectives (Snell, 2009). Konrad, (2006) asserted that employees who consider, design and implement workplace and process changes are engaged employees. Engaged employees exhibit a passion for work and a connection to the job (Gallup, 2006).

Researchers from Gallup (2006) also studied the perception of happiness and well-being in the workplace. Results from the Employee Index survey showed 77% of engaged employees believed their supervisors focused on strengths. Eighty-six percent of engaged employees have a positive interaction with coworkers while only 42% of actively disengaged employees indicated a positive interaction with coworkers (Gallup, 2006).

Researchers from Towers Perrin (2008) used the Global Workforce Study to measure the views of workers concerning issues related to the job, rewards, and organization. The 9-item questionnaire included three sections categorized as rational, emotional, and motivation. Employee's survey responses mapped to one of four categories of engagement; which included engaged, enrolled, disenchanted, and disengaged (Towers Perrin, 2008). Categories included factors that describe what employees think and believe about work and the organization (Heger, 2007). Results from a 2007 Towers Perrin study showed 71% of employees fell within the partly engaged and partly disengaged categories: enrolled and disenchanted respectively (Towers Perrin, 2009). A Towers Perrin 2005 study sampled employees from eight European countries, four Asian countries, the United States, Mexico, Canada, and Brazil

(O'Neal & Gebauer, 2006). According to the study, the United States ranked third, with 21% of respondents as highly engaged employees (O'Neal & Gebauer, 2006).

Leadership styles and employee involvement

(Gummadi & Sharma, 2013) Found employees of banking industry having good relationship with their supervisors shows greater Employee Engagement and vice versa. Study done with 158 employees of private sector bank at Gujarat Pakistan Tuba Javeed and Yasir Aftab Farooqi (2013) concluded that transformational leadership style has positive and significant influence on certain work characteristics that is perception of meaningful work and job involvement. Moreover, if employees consider their work activates as meaningful and interesting they are more satisfied with their job. Transformational leadership causes this meaningfulness which in turn increases level of job satisfaction among employees.

As Gerals and Terziovski (2003) suggest that banks needs to focus on improving their performance because the customer expectations and the competition among the banking sector increase with the passage of time. The constant growing market demands have literally over loaded employees of banking sector and stretched their working hours in an irrational way. All of this has resulted in employee objections about work-life conflict, workload, stress etc. which really reduced the employee's motivation and affect their performance of banking sector. To keep in view these problems the management is using different approaches for employee engagement in their banks. These have provided sufficient theoretical framework and resource gap for study relationship between leadership style and employee engagement in bank of Nepal.

Nickels et al. (2008) noted research on leaders' styles, behaviors, or traits are unreliable. The various leadership styles provide meaningful classification of leaders' behavioral profiles (Oshagbemi & Ocholi, 2006). Leaders' styles differ according to experience and knowledge (Rad & Yarmohammadian, 2006). Leadership styles can range from boss-centered to subordinate-centered (Nickels et al., 2008). A leader is more than having employees; leaders must know how to work with employees (Fisk, 2008). Effective leaders understand and manage the expectations of employees (McGuire et al., 2007; Sexton, 2007).

A critical element in employee engagement is leadership (O'Neal & Gebauer, 2006). The leadership quality influences this engagement (Wellins & Concelman, 2008). Differences also exist between employees' work and communication styles. Leaders need to assess their leadership style to ensure a fully engaged workforce. The nature of supervisory support of leadership style influences the perception of employee about the work place and engagement at work place. With the increased monitoring tools and supervisor's influence on the reward, employee is more concerned about the relationship with the supervisor. Different aspects like fair treatment by the supervisor, feedback on performance and trust in the manager/supervisor have positive correlation of organizational loyalty and employee involvement.

Leaders have the greatest influence on employee engagement in the organization (McBain, 2007). Organizational leaders who cannot answer the question "What am I doing to properly engage employees?" are not doing enough to address employee engagement (Lyons, 2009). As noted by Wildermuth and Pauken (2008a), leaders cannot require employees to engage. Leaders must be supportive of engagement (Corace, 2007). Opportunities by leaders to find and leverage employee engagement are worth examining.

Employees who consider, design and implement workplace and process changes are engaged employees. As Geralis and Terziovski (2003) suggest that banks need to focus on improving their performance because the customer expectations and the competition among the banking sector increase with the passage of time. The constant growing market demands have literally over loaded employees of banking sector and stretched their working hours in an irrational way. All of this has resulted in employee objections about work-life conflict, work load, stress etc. which really reduced the employee's motivation and affect their performance of banking sector. To keep in view these problems the management are using different approaches for employee engagement in their banks. The question is whether banks are applying the suitable approach according to the needs of employees and these strategies accomplishing the anticipated results? How communication system in these banks affects the implementation of such policies? These problems if remained hidden and unaddressed they may rise in other shape of problems like high turnover,

demotivation, dissatisfaction of employees and customer etc. and therefore needs to be studied with care.

Employee involvement is being studied in different context for example, participative work environment and employee engagement, high involvement work practices and employee involvement, and the impact of human resource management practices on employees involvement, the impact of employee empowerment on service quality and customer satisfaction in the banking industry respectively by Tesluk, Vance and Mathieu, (1999), Saima, *et al*, (2011), and Abbasi, *et al*, (2011). Tesluk, Vance and Mathieu, (1999) studied Employee engagement in the context of participative work environment; they examined the relationship between participative climates and employees attitudes and behaviors. Their results showed a significant relationship between employee involvement and participative working environment and suggest that participative climate in organizations influence the individuals attitudes and behaviors. Konrad (2006), studied employee involvement in the context of high involvement work practices. He examined the high involvement work practices for employee involvement and resulted that this can help in developing the positive belief and attitudes associated with employee involvement and furthermore these practices can generate the kinds of discretionary behaviors that leads to organizational commitment and citizenship and ultimately to profit growth of that organization. Boon, *et al*, (2005) and Saima, (2011) investigated the impact and influence of different human resources management (HRM) aspects and practices on employee involvement. They studied individual employee's perceptions on the influence of HRM on employee job involvement in their respective research studies. Their studies reveal that HRM practices including teamwork, empowerment, and reward and communication leadership behavior are positively associated with employee's job involvement. If an organization is caring for more of its customer's contentment then it should drive employees to get more engaged. If there is no career progression or limited career advancement opportunities, then employees will definitely be disengaged at certain level and shall not remain committed with an organization.

2.3 Research gap

A review of the literature on the banking industry of Nepal is very few. There is lack of study on the dimensions of leadership style in private sector of Nepalese banking

context. There are also no sufficient international empirical studies that have been conducted on the dimensions of leadership style in international financial service sector. Till now, there is no published empirical study that identifies the dimensions of leadership style or examines the relationship between Leadership style and employee involvement in private sector of Nepalese banks. In Nepalese perspective Employee policies have been done but in related to leadership style, there is no sufficient research have been done. Thus considering these research gaps particularly in Nepalese context, this study propose a framework to analyze the demographic characteristics of commercial banks employee and also measure employee involvement by taking the dimensions of leadership style, perceived risk.

2.4 Theoretical framework

The theoretical framework outlines the relationship between the leadership styles and employee involvement. Leadership style is the behavior of leader influencing other(s) to direct their efforts toward the achievement of some particular goals. Four leadership styles: transformational leadership, charismatic leadership, transactional leadership and laissez-faire leadership are independent variable of this study. Transformational characteristics included idealized influence attributed and idealized influence behavioral, inspirational motivation, intellectual stimulation, and individualized consideration. The two characteristics of transformational leadership namely idealized influence attributed and idealized influence behavior explains the charismatic leadership. Transactional characteristics included contingent reward, management by exception active, and management by exception passive. Employee involvement, dependent variable, is a combination of feelings and behaviors associated with work and the organization. The dependent variable and independent variables were derived from the study of different literatures.

Independent Variable

Dependent Variable

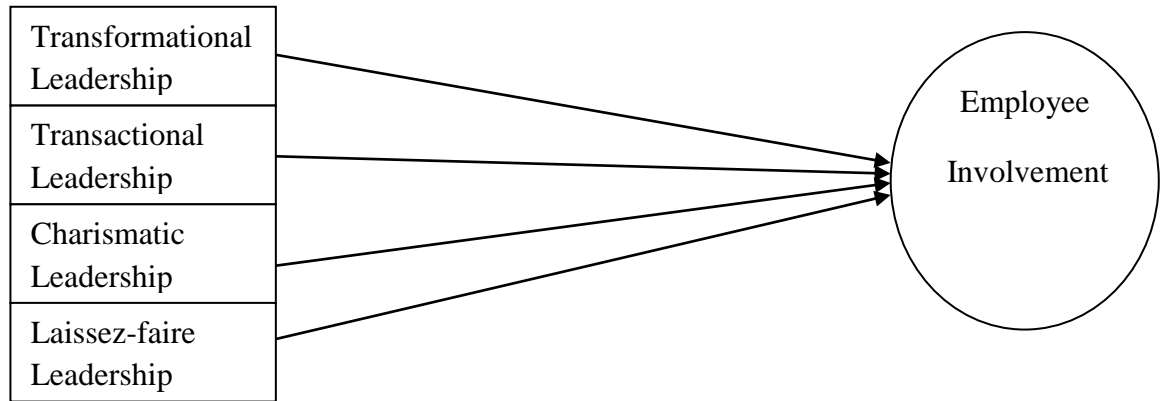


Figure 2.1 Theoretical frameworks on leadership styles and employee involvement.

CHAPTER III

METHODOLOGY

3.1 Research design

This study adopts descriptive and quantitative research design. It is descriptive because attempt has been made to describe the perceived leadership styles and employee involvement among representatives from the private sector commercial banks of Nepal. A quantitative approach was chosen in this study because quantitative research explains the relationship between dependent and independent variable. And it also explains the consumer's opinion, knowledge and attitude. This research study had specific data was collected from a sample of employees working at private commercial bank situated at Kathmandu.

3.2 Population and sample

This research projects is academic research. In order to make generalizations for the research investigation, the appropriate sample size has to be considered, though there is limitation of time to complete this research project. A reliable and valid sample should enable to generalize the findings from the sample to the population under investigation. Banking sector is selected for the study as there is regular interaction between leader and employees. The study was conducted with a purpose to investigate the relationship between employees perceived leadership styles and employee engagement of employees working in private sector commercial banks of Nepal. The employee working in private sector commercial banks is population of this study. Out of 27 private sector commercial banks present in Nepal 5 commercial bank were taken for study through convenience sampling technique. A total of 140 questionnaires were distributed and 124 (i.e. 88.57%) valid responses were collected which is as per the requirement of this research.

3.3 Sources of data

The study is based on primary data as well as secondary data. The secondary data are collected both from published and unpublished sources like journals, articles and books. As well as primary data collected through questionnaires from private sector commercial banks of Nepal.

3.4 Data collection procedure

This research employed both primary and secondary data. A survey was used as the research method. The primary data were collected from the survey questionnaire. However, the analysis part only included the primary data, secondary data were used for literature review (books, journals, article and magazines). In the process of conducting this research, data were collected from various branches and corporate office of selected commercial bank located at Kathmandu. A structured questionnaire was prepared and distributed to the respondents, and valid responses were collected after distribution.

The questionnaire used in this study was divided into three sections. The first section covered the demographic information of the population, such as designation of the respondent, age, gender marital status, years of experience in current position, period the respondent has worked in the bank, size of the bank and the ownership structure of the bank. The second section was a modified version of the Multifactor Leadership Questionnaire (MLQ) developed by Avolio and Bass (1995). The Multifactor Leadership Questionnaire (MLQ 5x-short) leader form is utilized as an instrument to measure or study leadership styles. Construct items from the MLQ were modified to fit the specific context of this study. The third section of the questionnaire covered the employee involvement.

3.5 Data processing procedure

The data obtained from the different sources are in raw form. The raw data is processed and converted into required form. For this study, required data are taken from the secondary source (bank's publication) and presented in this study. For presentation, different tables and charts are used. Besides this, primary data collected from different sources, are also presented whenever required. Raw data are attached in APPENDIX. Computation has been done with the help of scientific calculator and computer software program.

3.6 Data analysis tools and techniques

In order to get the concrete results from the research, data are analyzed by using different types of tools. As per topic requirements, emphasis is given on statistical tools rather than financial tools. For this study following statistical tools are used.

Arithmetic mean:

Arithmetic Mean has been widely used in this study. It has been used to calculate the average for demography due to unavailability of complete data. This tool has been used to calculate the single figure that can represent the whole data for the period. The Arithmetic Mean of age, gender, qualification and experience etc. have been calculated in this study. It is computed by using following formula:

$$\text{Mean } (\bar{X}) = \frac{\sum X}{n}$$

Where,

$$\bar{X} = \text{Mean}$$

$$\sum X = \text{Sum of all the Variable X}$$

$$n = \text{Variables involved}$$

Standard deviation:

Standard Deviation is a tool to measure the risk. Standard Deviation has been used wherever the mean is calculated to study the deviation of the data from the mean. Here, standard deviation is used as a measure of dispersion. It has also been used as a measure to identify the risk. Higher the deviation greater the risk and vice versa. Mathematically, it is defined as the positive square root of their arithmetic mean of squares of the deviation of the given observations from their arithmetic mean of a set of value. It can be computed by using following formula.

$$S.D(\delta) = \sqrt{\frac{1}{n} \sum (X - \bar{X})^2}$$

Coefficient of correlation

A correlation coefficient is statistical measure or the degree to which changes to the value of one variable predict change to the value of another. In positively correlated variables, the value increase or decrease in tandem. In negatively correlated variable, the value of one increase as the value of the other decrease. Correlation coefficients are expressed as values between +1 and -1. A coefficient of +1 indicates a perfect positive correlation. A change in the value of one variable will predict a change in the same direction on the second variable. A coefficient of -1 indicates a perfect negative

correlation: a change in the value of one variable predicts a change on the opposite direction in the second variable. Karl Pearson coefficient of correlation is usually denoted by 'r'.

Coefficient of variation

The coefficient of variation (CV) is a statistical measure of the dispersion of data points in a data series around the mean. The coefficient of variation represents the ratio of the standard deviation to the mean, and it is a useful statistic for comparing the degree of variation from one data series to another, even if the means are drastically different from one another.

Coefficient of Variation

$$C.V = \frac{S.D}{Mean} \times 100\%$$

Regression analysis

Regression analysis is used as a tool of determining the strength of relationship between two variables. Thus, it is a statistical value of one variable when the value of other variables is known. The unknown variables which have to be predicted are called dependent variable and the known variable is called independent variable.

Linear Regression Model

$$\hat{Y} = \alpha + \beta_i X_i + e_i$$

Where,

\hat{Y} = Dependent variable (Employee Engagement)

X_i = Independent Variables (Transformational, Charismatic, Transactional Leadership)

α = Constant

β_i = Coefficient of slope of regression model

e_i = Error term

CHAPTER IV

RESULT

The purpose of this chapter was to analyze and interpret the data collected during the study and present the result of the questionnaire survey. The main objective of this research study is expected to be fulfilled with the outcomes derived from the analysis of the data. This section was further sub-divided into 6 sub-sections. They were respondents demographic profile, descriptive analysis of leadership style and employee involvement, correlation analysis, regression and discussion.

4.1 Respondent's demographic profile

This section deals with the demographic analysis and interpretation of primary data collected through questionnaires. Five private sector commercial banks were selected randomly out of 27 private sector commercial bank of Nepal. Various respondents were selected out of this selected commercial bank on convenience basis. All the respondents were the employees of private sector commercial bank inside Kathmandu Valley. The respondents' profile includes gender, marital status, age-group, academic qualification, monthly income level, banking experience, experience with current supervisor, department where they work and the academic qualification of the respondents.

Table 4.1: Gender of respondents

Gender	Frequency	Percent
Male	67	54
Female	57	46
Total	124	100.0

Source: Field survey, 2020

Table 4.1 shows the gender distribution of the respondents. The number of male respondents was 67 and that of female respondents 57. The percentage of male respondents were 54% and that of female respondent was 46%. The aim of the

research was to make the sample size equal but the independent selection brought out difference in the number of male and female respondents.

Table 4.2: Marital status of respondents

Marital Status	Frequency	Percent
Married	60	48.4
Unmarried	64	51.6
Total	124	100.0

Source: Field survey, 2020

Table 4.2 represents the marital status of the respondents working in private sector commercial banks. It was found that the number of unmarried respondents was greater than that of married respondents. Married respondents were 60 in number, which represents 48.4% and unmarried respondents were 64 in number that represents 51.6% of total respondents.

Table 4.3: Age group of respondents

Age	Frequency	Percent
Below 20	1	.8
20-25	50	40.3
25-30	25	20.2
30-35	28	22.6
Above 35	20	16.1
Total	124	100.0

Source: Field survey, 2020

Table 4.3 show the age group of the respondents, where majority of them represented 20-25 years age groups which was 40.3%. Similarly 22.6% respondents were from 30-35 year age group, 20.2% respondents were from 25-30 year age group, 16.1%

respondents were from above 35 year age group and .8% respondent were from below 20 year age group.

Table 4.4: Qualification of respondents

Academic Qualification	Frequency	Percent
Intermediate	12	9.7
Bachelor	61	49.2
Master degree	51	41.1
Total	124	100.0

Source: Field survey, 2020

Table 4.4 depicts the educational qualification of the respondents. Most of the respondents were within Bachelor's level category that was 49.2% respondents and the 41.1% respondents were in master's level category. 9.7% respondents came under intermediate level.

Table 4.5: Monthly Income of respondents

Monthly income level	Frequency	Percent
10000-15000	1	.8
15000-20000	5	4.0
20000-25000	23	18.5
25000-30000	31	25.0
30000-35000	21	16.9
Above 35000	43	34.7
Total	124	100.0

Source: Field survey, 2020

Table 4.5 shows the monthly income of respondents. Majority of the respondents had income of 35000 or above which was responded by 34.7% of respondents. 25.0% respondents had income Rs.25000-30000. Similarly, 18.5% respondents had income

of Rs. 20000-25000, 16.9% respondents had income of Rs. 30000-35000, 4.0% respondents had income of Rs. 15000-20000 and .8% respondents had income of Rs. 10000-15000 respectively.

Table 4.6: Banking experience of respondent

Banking Experience	Frequency	Percent
0 (below 1 year)	8	6.5
1 years	21	16.9
2 years	1	.8
2 years	18	14.5
3 years	12	9.7
4 years	5	4.0
5 years	6	4.8
6 years	2	1.6
7 years	11	8.9
8 years	5	4.8
9 years	6	4.8
10 years	12	9.7
11 years	4	3.2
12 year	8	6.5
15 years	1	.8
21 years	3	2.4
Total	124	100.0

Source: Field survey, 2020

Table 4.6 shows the experience of banking sector. It has found that majority of respondents had banking experience of 1 years, which was responded by 21 respondents. Respondent having 0,2,2,3,4,5,6,7,8,9,10,11,12,15 and 21 years of banking experience were respectively 8,1,18,12,5,6,2,11,6,6,12,4,8,1 and 3.

Table 4.7: Experience of respondents with current supervisor

Experience with current supervisor	Frequency	Percent
0 (below than 1 month)	7	5.6
1 months	11	8.9
2 months	17	13.7
3 months	3	2.4
4 months	5	4.0
5 months	7	5.6
6 months	11	8.9
7 months	2	1.6
8 months	2	1.6
9 months	1	.8
10 months	2	1.6
11 months	2	1.6
12 months	21	16.9
14 months	2	1.6
15 months	6	4.8
16 months	3	2.4
18 months	6	4.8
20 months	1	.8
21 months	2	1.6
24 months	4	3.2
25 months	1	.8
30 months	1	.8
36 months	2	1.6
48 months	2	1.6
60 months	2	1.6
84 months	1	.8
Total	124	100.0

Source: Field survey, 2020

Table 4.7 represents the experience of respondents with current supervisor. From analysis majority of respondents have experience of 12 month, which is responded by 21 respondents. Respondents having 0, 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 14, 15, 16, 18, 20, 21, 24, 25, 30, 36, 48, 60 and 84 months of experience are respectively 7, 11, 17, 3, 5, 7, 11, 2, 2, 1, 2, 2, 2, 6, 3, 6, 1, 2, 4, 1, 1, 2, 2, 2 and 1.

Table 4.8: Department of respondents

Department	Frequency	Percent
IT	40	32.3
Legal	11	8.9
Human Resource	9	7.3
Customer Service	17	13.7
Teller (Cash)	9	7.3
Remittance	14	11.3
Account	5	4.0
Credit	9	7.3
Marketing	1	.8
General Service	9	7.3
Total	124	100.0

Source: Field survey, 2020

Table 4.8 shows the department of respondents where they work. Majority of the respondents of this study were working in IT department which is responded by 40 respondents, followed by 40 respondents who worked in IT department. Similarly, 11, 9, 17, 9, 14, 5, 9, 1 and 9 respondents worked in legal, HR, customer service, teller (cash), remittance, account, credit, marketing and general service department respectively.

Table 4.9: Position of respondent

Position	Frequency	Percent
Assistant	8	6.5
Junior Assistant	40	32.3
Trainee Assistant	23	18.5
Junior Officer	12	9.7
Senior Officer	9	7.3
Supervisor	16	12.9
Senior Assistant	16	12.9
Total	124	100.0

Source: Field survey, 2020

Table 4.9 shows the positions of respondents. Majority of the respondents of this study worked as a junior assistant who was responded by 40 respondents (i.e.32.3%) and then 23 respondents (i.e. 18.5%) worked as a trainee assistant. Similarly, 8, 12, 9, 16 and 16 respondents (i.e 6.5%, 9, 7%, 7.3%, 12.9% and 12.9%) worked as assistant, junior officer, senior officer, supervisor, senior assistant respectively.

4.2 Descriptive analysis

This section deals with the descriptive analysis of the data collected through the questionnaire during the research process. Here descriptive analysis incorporates calculation of statistical measures such as mean, standard deviation. All items of dependent variable employee involvement were measured on five points Likert scale anchored by "strongly disagree"='1' "strongly agree"='5' and all items of independent variable leadership style were measured on five points Likert scale anchored by "not at all"='1' to "frequently"='5'. These values help the researcher to analyze the data with respect to frequencies and aggregation relating to research questions and variables.

The MLQ-5X (Multifactor Leadership Questionnaire) measures the four leadership styles of transformational leadership, charismatic leadership, transactional leadership

and laissez-faire leadership style. Charismatic leadership style is a sub-set of transformational leadership. The transformational leadership style was partitioned into five sub-factors, idealized influence attributed, idealized influence behavioral, inspirational motivation, intellectual stimulation and individual consideration. Charismatic leadership consisted of the idealized influence attributed and idealized influence behavioral. The transactional leadership style was partitioned into three sub-factors: contingent reward, management by exception active and management by exception passive. Laissez faire leadership style did not contain any sub-factors. These four leadership styles of transformational, charismatic, transactional and laissez faire were the independent variables in this research study. The dependent variables for this research study were employee involvement. Employee involvement was measured by the Q18 survey instruments by the Gallup Organization.

4.2.1 Descriptive statistics of leadership style

The respondents to the survey were requested to provide their perception of their immediate supervisor's/ managers leadership behavior to the statements in the MLQ-5X portion of the survey. The MLQ-5X instrument consisted of 33 statements covering the various leadership styles and their sub-factors among them 24 statements covering the various leadership styles is taken for this study. Each of the nine sub-factors of leadership style had four separate statements dispersed throughout the instrument, for a total of 24 statements. Mind Garden, the publisher of the MLQ-5X instrument directed that the Likert scale responses for a leadership factor or sub-factor be averaged when scored. The important of this recommendation was that Mind Garden was directing that each value of the Likert scale be treated as equidistance from each other and as such the scale was considered ratio/interval. The MLQ-5X scored results was treated as ratio/interval scale for this dissertation analysis.

4.2.1.1 Transformational leadership in private sector commercial banks of Nepal

This section deals with the descriptive analysis of transformational leadership and presents its current scenario in private sector commercial banks of Nepal. Transformational leadership was the aggregate combination of the five sub-factors: idealized influence attributes, idealized influence behavior, inspirational motivation, intellectual stimulation and individual consideration. And each sub-factor were explained by 3 different statements. The combination of the five sub-factors into the

transformational leadership independent variable was accomplished through the averaging of the five sub-factors (Avolio & Bass, 2004). Descriptive statistical analysis was conducted on all these sub-factors.

Table 4.10: Descriptive statistics of idealized influence attributed

Code	My immediate supervisor, manager	Mean	Std. Deviation	CV
LQ1	Pride in being associated with followers.	3.99	.749	18.77
LQ2	Make personal sacrifices for the benefit of the group.	4.01	.770	19.20
LQ3	Act in the ways that builds my respect.	4.11	.809	19.68
	Idealized Influence Attributed (N=124)	4.04	.550	13.61

Source: Field survey, 2020

Table 4.10 shows the descriptive statistics of an individual item and as a whole of idealized influence attributed sub-factor. Mean of all item were above the level 4.0. Among three statement, the statement code "LQ1" had score the lowest mean of 3.99 (i.e. S.D 0.749) with CV 18.77 and statement with code "LQ3" had score the highest mean of 4.11 (i.e SD0.809) with C.V 19.68. This states that leaders of private sector commercial banks of Nepal act in the ways that builds their followers respect but they less pride in being associated with them. The aggregate mean of idealized influence attributed was 4.04 (i.e SD 0.550) with CV 13.61 that indicates good consistency level in the data. This shows that leaders of Nepalese private sector commercial bank were trusted and had attainable mission and vision.

Table 4.11: Descriptive statistics of idealized influence behavioral

Code	My immediate supervisor/ manager	Mean	Std. Deviation	CV
LQ4	Make others feel good to be around him/her.	4.27	.787	18.43
LQ5	Have complete faith on followers.	3.92	.959	24.46
LQ6	Provide rewards when others reach their goals.	3.84	.905	23.56
	Idealized Influence Behavioral (N=124)	4.01	.663	16.53

Source: Field survey, 2020

Table 4.11 shows the descriptive statistics of an individual item and as whole of idealized influence behavior sub-factor. Mean of all item were above the level of 4.0 (mid range value). The statement code "LQ4" had score the highest mean of 4.27 (i.e SD 0.787) with C.V 18.43. And the statement "LQ6" had score the lowest mean of 3.84 (i.e SD 0.905) with C.V 23.56. This states that leaders of private sector commercial banks of Nepal, make others feel good to be around him/her but provide less rewards when others reach their goals. The aggregate mean of idealized influence behavioral is with mean 4.01 (i.e SD 0.663) with C.V. 16.53 that indicates good consistency level in the data. Which shows that leaders of Nepalese private sector commercial bank had been able to identify themselves among their followers through their behavior.

Table 4.12: Descriptive statistics of inspirational motivation

Code	My immediate supervisor/ manager	Mean	Std. Deviation	CV
LQ7	Shows a powerful vision of the future.	4.15	.638	15.37
LQ8	Expresses confidence that goals will be achieved.	4.18	.884	21.14
LQ9	Even if things are working he/she motivate to change for better.	4.06	.810	19.95
	Inspirational Motivation (N=124)	4.13	.585	14.16

Source: Field survey, 2020

Table 4.12 shows the descriptive statistics of an individual item and as whole of inspirational motivation sub-factor. Mean of all item were above the level of 4.0, mean range value. Among three statement, the statement code "LQ8" had score the highest mean of 4.18 (i.e SD 0.884) with CV 21.14 and the CV indicates that the consistency level of data is acceptable. And statement with code "LQ9" had lowest mean of 4.06 (i.e SD 0.810) with C.V. 19.95 CV states that the consistency level of the data is good. This states that leaders of private sector commercial banks of Nepal, express confidence that goals will be achieved but less focused on that thing which is working. The aggregate mean of inspirational motivation was 4.13 (i.e SD 585) with C.V. 14.16 which means good consistency level in the data. This shows that leaders of

Nepalese private sector commercial bank behave in a ways that motivate and inspire those around them by providing meaning and challenge to their follower.

Table 4.13: Descriptive statistics of intellectual stimulation

Code	My immediate supervisor/ manager	Mean	Std. Deviation	CV
LQ10	Help others to develop themselves.	4.15	.755	18.19
LQ11	Seeks differing perspectives when solving problems.	3.85	.937	24.33
LQ12	Suggest new ways of looking at how to complete task/ assignment.	4.11	.746	18.15
	Intellectual Stimulation (N=124)	4.04	.615	15.22

Source: Field survey, 2020

Table 4.13 shows the descriptive statistics of an individual item and as whole of intellectual stimulation sub-factor. Mean of all item were above the level of 4.0. The statement code "LQ10" had score highest mean of 4.15 (i.e SD 0.755) with C.V 18.19, and statement "LQ11" had lowest mean of 3.85 (i.e SD 0.937) with C.V 24.33. This states that leaders of private sector commercial banks of Nepal help others to develop themselves but did not seek differing perspectives when solving problems. The aggregate mean of intellectual stimulation was 4.04 (i.e SD 0.615) with C.V 15.22 which indicates good consistency level in the data. This shows that leaders of Nepalese private sector commercial bank encouraged their subordinates to be innovative and creative, suggest new ways of looking at how to complete task.

Table 4.14: Descriptive statistics of individual consideration

Code	My immediate supervisor/ manager	Mean	Std. Deviation	CV
LQ13	Spends time supporting and coaching.	4.06	.752	18.52
LQ14	Helps to develop the strength.	4.13	.754	18.25
LQ15	Help others to find meaning in their work.	3.89	.848	21.79
	Individual Consideration (N=124)	4.03	.587	14.56

Source: Field survey, 2020

Table 4.14 shows the descriptive statistics of an individual item and as whole of individual consideration sub-factor. Average of all item were above the level of mid-range, 4.0. Among three statements, the statement code "LQ14" had score highest mean of 4.13 (i.e SD 0.754) with C.V 18.25 and statement with code "LQ15" had score lowest mean 3.89 (i.e SD 0.848) with C.V 21.79. This states that leaders of private sector commercial banks of Nepal, spends more time to develop strengths on his subordinates but did not help others to find meaning in their work. The aggregate mean of individual consideration was 4.03 (i.e SD of 0.587) with C.V 14.56 which indicates good consistency level in the data. This shows that leaders of Nepalese private sector commercial bank often acted as coach, mentor and counseled their subordinates.

Table 4.15: Descriptive statistics of transformational leadership

Leadership Style	Mean	Std. Deviation	CV
Idealized influence attributed	4.04	.550	13.61
Idealized influence behavioral	4.01	.663	16.53
Inspirational motivation	4.13	.585	14.16
Intellectual stimulation	4.04	.615	15.22
Individual consideration	4.03	.587	14.56
Transformational leadership	4.047	.449	11.09

Source: Field survey, 2020

Table 4.15 shows the descriptive statistics of an individual sub-factor and as whole of transactional leadership. Mean of all item were above the level of 4.0, mid-range value. Among three sub-factors, inspirational motivation had scored the highest mean of 4.13 with C.V 14.16 and Idealized influence behavioral had lowest mean of 4.01 with C.V 16.53. The aggregate mean of transactional leadership is 4.047 with C.V 11.09 which indicates good consistency level in the data. This states that transformational leadership style exists in private sector commercial banks of Nepal. Further it shows that transformational leaders were highly involved in motivating and inspiration their subordinate by providing meaning and challenge to their task.

4.2.1.2 Charismatic leadership in private sector commercial banks of Nepal

The second independent variable to be examined was charismatic leadership. Charismatic leadership was the aggregate combination of two of the five transformational leadership sub-factors idealized influence attributed and idealized influence behavioral. The combination of the two sub-factors into the charismatic leadership independent variable was accomplished through the averaging of the two sub-factors (Avolio & Bass, 2004).

Table 4.16: Descriptive statistics of charismatic leadership

Leadership Style	Mean	Std. Deviation	CV
Idealized influence attributed	4.04	.550	13.61
Idealized influence behavioral	4.01	.663	16.53
Charismatic Leadership	4.058	.478	11.77

Source: Field survey, 2020

Table 4.16 shows the descriptive statistics of an individual sub-factor and as whole of charismatic leadership. Mean of all item were above the level of 4.0. The sub-factor, idealized influence attributed had scored the higher mean 4.04 with C.V 13.61. Then that of idealized influence behavioral mean of 4.01 with C.V 16.53. The aggregate mean of charismatic leadership was 4.058 with C.V 11.77 which indicates good consistency in the data. This states that Charismatic leadership style exists in private sector commercial banks of Nepal. Further it shows that charismatic leaders were highly involved in influencing their subordinate through idealized attributed.

4.2.1.3 Transactional leadership in private sector commercial banks of Nepal

The third independent variable to be examined was transactional leadership. Transactional leaders also offered rewards or impose punishments to gain compliance (Kirkbride, 2006). With transactional leadership, followers do not perform beyond expectations (Robbins & Judge, 2007). Transactional leadership was the aggregate combination of the three transactional leadership sub-factors: contingent reward,

management by exception active and management by exception passive. The combining of the three sub-factors into the transactional leadership independent variable was accomplished through the averaging of the three sub-factors (Avolio & Bass, 2004).

Table 4.17: Descriptive statistics of contingent reward

Code	My immediate supervisor/ manager	Mean	Std. Deviation	CV
LQ16	Expresses with a detail words what we could and should do.	3.90	.935	23.97
LQ17	Make clear what one can expect to receive when performance goals achieved.	3.94	.762	19.34
LQ18	Satisfied when others meet agreed-upon standard.	4.02	.836	20.79
	Contingent Reward (N=124)	3.95	.663	16.78

Source: Field survey, 2020

Table 4.17 shows the descriptive statistics of an individual item and as whole of contingent reward sub-factor. Mean of all item were above the level of 4.0. Among three statements, the statement code "LQ18" had score highest mean of 4.02 with C.V 20.79 it means consistency in the data is acceptable and statement with code "LQ16" had score lowest mean of 3.90 with C.V 23.97 it means consistency in the data is acceptable. The aggregate mean of contingent reward is 3.95 with C.V 16.78 which indicates good consistency in the data. This states that leaders of private sector commercial banks of Nepal satisfied when subordinates meet agreed-upon standard but sometimes expresses with a detail words what subordinates should do. This shows that leaders of Nepalese private sector commercial bank provide subordinates with material and rewards contingent on the fulfillment of contractual obligations. They provide rewards in order to get a reasonable degree of involvement, loyalty, commitment and performance from subordinates.

Table 4.18: Descriptive statistics of management by exception active

Code	My immediate supervisor/ manager	Mean	Std. Deviation	CV
LQ19	Focuses attention on irregularities, mistakes, exceptions.	4.01	.860	21.44
LQ20	Direct my attention towards failures to meet standards.	3.86	.820	21.24
LQ21	Keep track to avoid mistakes or correct mistakes.	3.98	.860	21.60
	Management by Exception Active (N=124)	3.95	.676	17.11

Source: Field survey, 2020

Table 4.18 shows the descriptive statistics of an individual item and as whole of management by exception active sub-factor. Mean of all item were above the level of mid-range that is 4.0. Among three statements, the statement code "LQ19" had score highest mean of 4.01 with C.V 21.44 and statement with code "LQ20" had score lowest mean of 3.86 with C.V 21.24. This states that leaders of private sector commercial banks of Nepal, frequently focused attention on irregularities, mistakes and exceptions but less frequently direct subordinates attention towards failures to meet standards. The aggregate mean of management of exception active was 3.95 with C.V 17.11 which indicates good consistency in the data. This shows that leaders of Nepalese private sector commercial bank monitored deviation from norms and provide corrective action.

Table 4.19: Descriptive statistics of management by exception passive

Code	My immediate supervisor/ manager	Mean	Std. Deviation	CV
LQ22	Fails to interfere until problem is serious.	3.68	1.040	28.26
LQ23	Wait for things to go wrong before taking action.	3.00	1.275	42.5
LQ24	Implement punishments or corrective action for mistakes.	3.80	1.104	29.05
	Management by Exception Passive (N=124)	3.49	.906	25.95

Source: Field survey, 2020

Table 4.18 shows the descriptive statistics of an individual item and as whole of management by exception passive sub-factor. Mean of all item were above the level

of mid range that is 4.0. The statement code "LQ24" had score highest mean of 3.80 with C.V 29.04 that means the consistency in the data is acceptable and statement with code "LQ23" had score lowest mean of 3.00 with C.V 42.5 that means consistency in the data is not acceptable. This states that leaders of private sector commercial banks of Nepal frequently implement punishment or corrective action for mistakes but less attention to wait for things to go wrong before taking action. The aggregate mean of management of exception active was 3.49 with C.V 25.95 which means consistency level in the data is acceptable.

Table 4.20: Descriptive statistics of transactional leadership

Leadership Style	Mean	Std. Deviation	CV
Contingent Reward	3.95	.663	16.78
Management by Exception Active	3.95	.676	17.11
Management by Exception Passive	3.49	.906	25.95
Transactional Leadership (N=124)	3.796	.599	15.77

Source: Field survey, 2020

Table 4.20 shows the descriptive statistics of an individual sub-factor and as whole of Transactional Leadership. Mean of all item except management by exception passive were above the level of 4.0. The sub-factor, contingent reward had score higher mean of 3.95 with C.V 16.78 and management by exception passive had lower mean was scored by 3.49 with C.V 25.95. The aggregate mean of Transactional leadership was 3.796 with C.V 15.77 which indicates good consistency in the data. This states that Transactional leadership style exists in private sector commercial banks of Nepal.

4.2.1.4 Laissez-faire leadership in private sector commercial banks of Nepal

The fourth independent variable to be examined was laissez-faire leadership. Laissez-faire leadership is the leadership style where in the leader gives full freedom to his subordinates to act on their own. It is suitable in the situation where group members are more knowledge than leaders. The manager delegates almost all authority and

control to subordinates. Laissez-faire leadership is also called non leadership style. Laissez-faire leadership was not exist in Nepalese private sector commercial banks.

By analyzing the result, the coefficient of variation (CV) of transformational leadership style has lower in comparison of other leadership styles. So, the consistency in the data of transformational leadership is higher (good).

4.2.2 Descriptive statistics for employee involvement and its presence in private sector commercial banks of Nepal

Q18 survey instruments by the Gallup Organization, measured the level of employee involvement. The employee involvement represents the dependent variable for this study. The Q18 survey instrument consisted of 18 statements covering employee involvement. Respondents were asked to rate in the Likert scale of five points that best reflects them in those 18 statements. Gallop Organization publisher of Q18 survey instrument directed that the Likert scale responses for employee involvement be averaged when scored, resulting in the Likert scale being treated as a ratio/interval scale in all analysis in this study.

Engaged employees are assets for a dynamic and unpredictable work environment (Chaudhary, Rangnekar, & Barua, 2011). Employees work toward organizational objectives. Konrad, (2006) asserted that employees who consider, design and implement workplace and process changes are involved employees. Engaged employees exhibit a passion for work and a connection to the job (Gallup, 2006).

Leaders have the greatest influence on employee engagement in the organization (McBain, 2007). Organizational leaders who cannot answer the question “What am I doing to properly engage employees?” are not doing enough to address employee engagement (Lyons, 2009).As noted by Wildermuth and Pauken (2008a), leaders cannot require employees to engage. Leaders must be supportive of engagement (Corace, 2007). Opportunities by leaders to find and leverage employee engagement are worth examining.

Table 4.21 shows the descriptive statistics of an individual item and as whole of Employee Involvement. Mean of all item were above the level of 4.0, mid-range value. Among 18 statements, the statement code "IQ13" had score higher mean of

4.52 with C.V 13.38, and the statement code "IQ16" had score higher mean of 3.97 with C.V 23.57. This states that employees of private sector commercial banks of Nepal, give full attention to their work and less chance of accept any type of assignment in order to keep working for that bank. The aggregate mean of employee involvement was 4.94 with C.V 8.61 which indicates very good consistency in the data. This shows that employees of Nepalese private sector commercial bank were involved employee.

Table 4.21: Descriptive statistics for employee involvement

Code	Statement	Mean	Std. Deviation	CV
IQ1	I know what is expected of me at work.	4.18	.902	21.57
IQ2	I have the materials and equipment I need to do my work right.	4.23	.731	17.28
IQ3	At work, I have the opportunity to do what I do best every day.	4.21	.799	18.97
IQ4	My supervisor seems to care about me as a person.	4.12	.832	20.19
IQ5	There is someone at work who encourages my development.	4.16	.630	15.14
IQ6	At work, my opinions seem to count.	4.31	.838	19.44
IQ7	The mission of my company makes me feel my job is important.	4.12	.782	18.98
IQ8	My associates employees are committed to doing quality work.	4.26	.753	17.67
IQ9	I have a best friend at work.	4.13	.710	17.19
IQ10	This last year, I have had opportunities at work to learn and grow.	4.23	.697	16.47
IQ11	I know I am punctual at my work.	4.35	.687	15.79
IQ12	I carry on my work even if my time of work has completed.	4.34	.742	17.09
IQ13	I give my full attention to my work.	4.52	.605	13.38
IQ14	My job provide me an opportunity to implement the knowledge through training.	4.06	.789	19.43
IQ15	Availability of schemes for personal growth and development.	3.99	.760	19.04
IQ16	I would accept any type of job assignment in order to keep working for this bank.	3.97	.936	23.57
IQ17	I am very much involved personally in my job.	4.24	.667	15.73
IQ18	I am proud to tell others that I am part of this bank.	4.47	.811	18.14
	Employee Involvement	4.94	.428	8.61

Source: Field survey, 2020

4.3 Correlation between leadership style and employee involvement

Descriptive analysis was conducted on the independent variables leadership factors (transformational, transactional, charismatic and laissez-faire) and the dependent variables employee involvement. The analysis continued with correlation analysis with the aim of testing research hypothesis of this research study. The three hypotheses were presented as to whether a particular leadership style of a leader transformation, transactional or charismatic were related to the employee involvement of a private sector commercial banks of Nepal. Correlation analysis was used to answer these three hypotheses. Rubin (2010) provided a scale for interpreting the strength of correlation coefficients. Weak correlation coefficients were 0 indicates no linear relationship, weak correlation coefficient ranged from 0 to 0.30, moderate correlation coefficient ranged from 0.30 to 0.70 and strong correlation coefficients ranged from 0.70 to 1.0. Interpretation of correlation analysis in this research study will be based on the scale of interpreting as described.

Correlation analysis, using Pearson correlation was conducted on all independent and dependent variables. The sample size for this research study was 124 participants. The result of the correlation analysis were presented in Tables 4.22, 4.23 and 4.24. Table 4.22 presented the correlation analysis between the five sub-factors of the transformational leadership independent variable and the dependent variable, employee involvement. Correlation between sub-factor of charismatic leadership style and employee involvement is also explained by same table as sub-factor of charismatic leadership because is also that of transformational leadership (idealized influence behavior and idealized influence attributed). Table 4.23 presented the correlation analysis between the three sub-factors (contingent reward, management by exception active and management by exception passive) of the transactional leadership independent variable and the dependent variable, employee involvement. Laissez-faire leadership is not included in correlation because laissez-faire leadership is non-leadership style and does not exist in Nepalese commercial banks. Table 4.24 presented the correlation analysis between the four leadership independent variables and employee involvement.

Table 4.22: Correlation of transformational sub-factors and employee involvement

Transformational Leadership Sub-factor		Employee Involvement
Idealized Influence Attributed	Pearson Correlation	.447**
	Sig.	.000
Idealized Influence Behavioral	Pearson Correlation	.543**
	Sig. (2-tailed)	.000
Inspirational Motivation	Pearson Correlation	.522**
	Sig. (2-tailed)	.000
Intellectual Stimulation	Pearson Correlation	.572**
	Sig. (2-tailed)	.000
Individualized Consideration	Pearson Correlation	.559**
	Sig. (2-tailed)	.000
Employee Involvement	Pearson Correlation	1
	Sig. (2-tailed)	
	N	124

** Correlation is significant at the 0.01 level (2-tailed).

Source: Field survey, 2020

An examination of Table 4.22 indicated that the five sub-factors of the independent variable, transformational leadership, which were idealized influence, attributed (IIA); idealized influence, behavioral (IIB); inspirational motivation (IM); individualized consideration (IC); and intellectual stimulation (IS), were all positively correlated with the dependent variable, employee engagement. Idealized influence attributed (IIA); idealized influence, behavioral (IIB) are also the sub-factor of charismatic leadership. The range for correlation of the transformational leadership sub-factors, and employee involvement were $r(124) = 0.45$, $p < 0.01$ to $r(124) = .57$, $p < 0.01$. According to Rubin's (2010) scale for correlation coefficients, these were moderate correlation coefficients.

4.23: Correlation of transactional sub-factors and employee involvement

Transactional Leadership Sub-factor		Employee Involvement
Contingent Reward	Pearson Correlation	.677**
	Sig. (2-tailed)	.000
Management by exception active	Pearson Correlation	.504**
	Sig. (2-tailed)	.000
Management by exception passive	Pearson Correlation	.398**
	Sig. (2-tailed)	.000
Employee Involvement	Pearson Correlation	1
	Sig. (2-tailed)	
	N	124

** Correlation is significant at the 0.01 level (2-tailed).

Source: Field survey, 2020

An examination of Table 4.23 indicated that the two sub-factors of the independent variable transactional leadership, which were contingent reward (CR) and management by exception, active (MBEP) and management by exception by passive had positive correlation coefficients of 0.677($p < 0.01$), 0.504 ($p < 0.01$) and 0.398 ($p < 0.1$) with the dependent variable employee involvement showing moderate to strong and strong relationship.

Table 4.24: Correlation of leadership style and employee involvement

Leadership Styles		Employee Involvement
Transformational Leadership	Pearson Correlation	.708**
	Sig. (2-tailed)	.000
Transactional Leadership	Pearson Correlation	.640**
	Sig. (2-tailed)	.000
Charismatic Leadership	Pearson Correlation	.640**
	Sig. (2-tailed)	.000
Employee Involvement	Pearson Correlation	1
	Sig. (2-tailed)	
	N	124

** Correlation is significant at the 0.01 level (2-tailed).

Source: Field survey, 2020

Table 4.24 presented the results of the Person correlation analysis for the three leadership independent variables and the dependent variable of employee involvement. This table contained the correlation information needed to answer the three hypotheses of this research study. The correlation coefficient of three independent variables, transformational and charismatic, transactional, with the dependent variable employee involvement were respectively 0.708 ($p < 0.01$), 0.640 ($p < 0.01$), and 0.640 ($p < 0.01$). As could be noted that transformational leadership had strong correlation, charismatic leadership and transactional leadership had moderate correlation.

4.4 Hypothesis testing

Hypothesis testing is the use of statistics to determine the probability that a given hypothesis is true. Hypothesis testing is done by using inferential analysis. Inferential analysis tests hypothesis to determine if absorbed differences between groups or variable are real or occur simply by chance. If sample data are not consistent with the statistical hypothesis, the hypothesis is rejected. Each hypothesis is tested and analyzed individually and the analysis is done with a system design for statistical analysis (SPSS). Each hypothesis is tested on the basic of the Pearson's correlation coefficient presented in table 4.23, 4.24 and 4.25

Hypothesis 1

There is significance relationship between transformational leadership style and employee involvement as perceived by employees of private sector commercial banks of Nepal.

The Pearson correlation results showed a positive moderate-to-strong correlation $r(124) = 0.708$ $p < 0.01$, indicating a significant relationship between transformational leadership and employee involvement. As a result alternative hypothesis H1 is accepted.

Hypothesis 2

There is significance relationship between charismatic leadership style and employee involvement as perceived by employees of private sector commercial banks of Nepal.

The Pearson correlation results showed a positive moderate-to-strong correlation $r(124) = 0.640$ $p < 0.01$, indicating a significant relationship between transformational leadership and employee involvement. As a result alternative hypothesis H2 is accepted.

Hypothesis 2

There is significance relationship between transformational leadership style and employee involvement as perceived by employees of private sector commercial banks of Nepal.

The Pearson correlation results showed a positive moderate-to-strong correlation $r(124) = 0.640$ $p < 0.01$, indicating a significant relationship between transformational leadership and employee involvement. As a result alternative hypothesis H1 is accepted.

4.5 Regression analysis of leadership style and employee involvement

A correlation analysis can only tell whether or not a strong relationship exists between two variables. But even if a correlation coefficient indicates that a strong relationship exists between two variables, we still do not know the exact shape of the relationship between the two variables. A regression analysis provides us with more information about the slope of the relationship. It is used to describe the nature of a relationship and to make predictions. So, for deeper understanding of the relationship between leadership style and employee involvement, here conducted the regression analysis.

Multiple regression analysis was conducted first, in order to identify relationships between the various independent and dependent variables. The advantage of conducting multiple regression analysis included the ability to evaluate multiple independent variables. Multiple regression analysis can avoid premature focus on a single predictor and non-optimal combinations of predictors. Additionally, multiple regression analysis allows for the development of a more sophisticated model of the relationship of variable, where simple linear regression analysis may provide results that may be misleading, due to the complexity of the interactions of multiple independent variables. Based on the result of the multiple regression analysis, simple

linear regression analysis was used to further refine the models of independent and dependent variables.

Linear regression model

$$\hat{Y} = \alpha + \beta_i X_i + e_i$$

Where,

\hat{Y} = Dependent variable (Employee Engagement)

X_i = Independent Variables (Transformational, Charismatic, Transactional and laissez-faire leadership)

α = Constant

β_i = Coefficient of slope of regression model

e_i = Error term

4.5.1 Leadership style and employee involvement

Taking three leadership style, transformational leadership style, transactional leadership style and laissez-faire leadership style as independent variable (X_1, X_2, X_3) and employee involvement as dependent variable model 1 is constructed with equation $\hat{Y} = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + e_i$. The charismatic leadership is subset of transformational leadership which may cause collinearity problem so, charismatic leadership is not included in multiple regression analysis.

Test of multicollinearity among the independent variables

To be linearity, one assumption of multiple regressions is that all independent variables have no relation with each other. If one or more independent variables are highly related with each other there exists a problem of multicollinearity (Wilson and Keating, 2010).

Collinearity statistics

Table 4.25: Test of collinearity

Collinearity Statistics	Tolerance	VIF
Transformational	.117	8.513
Transactional	.400	2.500
Charismatic	.144	6.947

Source: Field survey, 2020

Table 4.26 shows the collinearity statistics of leadership tolerance value of transformational, transactional and charismatic are 0.117, 0.400 and 0.144 respectively. Simultaneously VIF was also less than 10; it is ascertain that there was no effect of multicollinearity problem that creates dependency in independent variables (Burn and Buss, 2007).

Table 4.26: Output of regression coefficient, ANOVA and R² of model 1

Predictor	Coefficients		t-value	Sig.
	B	Std. Error		
(Constant)	1.558	.246	6.328	.000
Transformational	.595	.175	3.399	.001
Transactional	.163	.071	2.293	.024
Charismatic	-.091	.150	-.609	.544
R	.724			
R Square	.524			
Std. Error of the Estimate	.29897			
F-value(3,120d.f)	43.987			
Sig. of F text	.000	Significant at 5% level of significance		
Model 1: $\hat{Y}=1.558+0.595X_1+0.163X_2-0.91X_3$				

Source: Field survey, 2020

Table 4.26 shows the finding of regression analysis between leadership style (transformational, transactional and charismatic) and employee involvement. R value of 0.724 indicated the moderate to strong positive relationship between leadership and employee involvement. Similarly R-square value of 0.524 states that 52.4% change in employee involvement was due to leadership style while remaining 47.6% is the unexplained variability. Regression coefficient (B1) of transformational, transactional and charismatic leadership were 0.595, 0.163 and -0.091 respectively where transformational leadership was the only significant independent variable, the other independent variables, transactional and charismatic had non-significant results ($p>.05$). Which illustrate that 1 unit increase in transformational leadership will bring 0.595 unit increase in employee involvement. Standard error of the estimate of

0.29897 indicates the variability of the observed value of employee involvement from regression line is 0.29897 units. The sig. of F test is 0.000 which is less than 0.05 that means model 1 is significant at 5% level of significant.

The correlation coefficient had shown that there is significant correlation between employee involvement and all three leadership styles except laissez-faire leadership but multiple regression analysis shows only significant relationship between employee involvement and transformational leadership style. So, simple regression analysis was conducted on all leadership style and employee involvement.

4.5.2 Transformational leadership and employee involvement

Transformational leadership style focuses on the development of value system of employees, their motivational level and moralities with the development of their skills. It basically helps follower's achieve their goals working in the organizational setting; it encourages followers to be expressive and adaptive to new and improved practices and changes in the environment. Transformational leaders are able to articulate an appealing vision of the future by communicating ideologies and leading through example.

Taking transformational leadership as independent variable (X_1) and employee involvement as dependent variable model 2 is constructed with equation $\hat{Y} = \alpha + \beta_1 X_1 + e_i$.

Table 4.27: Output of regression coefficient, ANOVA and R² of model 2

Predictor	Coefficients		t-value	Sig.
	B	Std. Error		
(Constant)	1.486	.248	5.996	.000
Transformational	.674	.061	11.074	.000
R	.708			
R Square	.501			
Adjusted R Square	.497			
Std. Error of the Estimate	.30342			
F-value(1,122 d.f)	122.624			
Sig. of F text	.000	Significant at 5% level of significance		
Model 2: $\hat{Y} = 1.486 + 0.674X$				

Source: Field survey, 2020

Table 4.27 shows the results of regression analysis, which showed the dependent of employee involvement on transformational leadership. Similarly R-square value of 0.501 states that 50.1% change in employee involvement was due to transformational leadership while remaining 49.9% change in employee involvement was due to unexplained variability. Regression coefficient (B1) transformational leadership as 0.674 illustrate that 1 unit increase in transformation leadership will bring 0.674 unit increase in employee involvement. Standard error of the estimate as 0.30342 indicates the variability of the observed value of employee involvement from regression line 0.30342 units. The sig. of F test is 0.000 which was less than 0.05 that means model 2 is significant at 5% level of significant.

4.5.3 Charismatic leadership and employee involvement

Charismatic leadership, an initial sub-type of transformational leadership differed from the situational focus, and instead sought to provide employee inspiration through the extraordinary personality of the leader that elicited an emotional response of the followers who felt special and empowered.

Taking charismatic leadership as independent variable (X_1) and employee involvement as dependent variable model 2 is constructed with equation $\hat{Y} = \alpha + \beta_1 X_1 + e_i$.

Table 4.28: Output of regression coefficient, ANOVA and R² of model 3

Predictor	Coefficients		t-value	Sig.
	B	Std. Error		
(Constant)	1.875	.256	7.320	.000
Charismatic	.577	.063	0.197	.000
R	.640			
R Square	.409			
Adjusted R Square	.405			
Std. Error of the Estimate	.33017			
F-value (1,122 d.f)	84.584			
Sig. of F text	.000	Significant at 5% level of significance		
Model 3: $\hat{Y} = 1.875 + 0.577X$				

Source: Field survey, 2020

Table 4.28 shows the result of regression analysis, which demonstrates the dependents of employee involvement on charismatic leadership. R-square value of 0.409 states that 40.9% change in employee involvement was due to charismatic leadership while remaining 59.1% change was the unexplained variability. Regression coefficient (B1) 0.577 illustrate that 1 unit increase in charismatic leadership will bring 0.577 unit increase in employee involvement. Standard error of estimate as 0.33017 indicates the variability of the observed value of employee involvement from regression line 0.33017 units. The sig. of F test was less than 0.05 that means model 3 is significant at 5% level of significant.

4.5.4 Transactional leadership and employee involvement

Effective transactional leadership style is characterized by transactions or exchanges – the promise of reward for good performance, and discipline for poor performance. Transactional leadership, present in many businesses, may help clarify everyone's roles and responsibilities, and because team members are judged on performance, ambitious people motivated by external rewards often thrive. Some of its measures can also de-motivate employees.

Taking charismatic leadership as independent variable (X_1) and employee involvement as dependent variable model 2 is constructed with equation

$$\hat{Y} = \alpha + \beta_1 X_1 + e_i.$$

Table 4.29: Output of regression coefficient, ANOVA and R² of model 4

Predictor	Coefficients		t-value	Sig.
	B	Std. Error		
(Constant)	2.480	.191	12.988	.000
Transactional	.457	.050	9.200	.000
R	.640			
R Square	.410			
Adjusted R Square	.405			
Std. Error of the Estimate	.33013			
F-value (1,122 d.f.)	84.642			
Sig. of F text	.000	Significant at 5% level of significance		
Model 4 : $\hat{Y}=2.480+0.457X$				

Source: Field survey, 2020

Table 4.29 shows the result of regression analysis, which explains the dependents of employee involvement on transactional leadership. R-square value of 0.410 states that 41% change in employee involvement was due to transactional leadership while remaining 59% change was the unexplained variability. Regression coefficient (B1) transactional leadership as 0.457 illustrate that 1 unit increase in transactional leadership will bring 0.457 unit increase in employee involvement. Standard error of the estimate as 0.33013 indicates the variability of the observed value of employee involvement from regression line is 0.33013 units. The sig. of F test is 0.000 which means model 4 was significant at 5% level of significant.

4.6 Major finding

This study focuses on the leadership style and employee involvement in private sector commercial bank of Nepal. Employee involvement is a major challenge for today's organization and their leaders (Pritchard, 2008). Leaders want to understand why employees demonstrate various levels of involvement. The general problem for leaders is determining the condition in which some employees are fully involved while others are disinvolved (Wildermoth & Pauken, 2008a). A critical element in employee involvement is leadership (O'Neal & Gebauer, 2006). With the aim of enhancing employee involvement through improved leadership behavior. Thus research study is conducted. The objective of this research was to determine if significant relationship exists between leadership styles and employee involvement among employee from private sector commercial bank of Nepal. For this literature review was carried out first.

Leaders need to assess their leadership style to ensure a fully involved workforce (Lyons, 2009). (Jawarski& Kohli, 1991). The nature of supervisory support of leadership style influences the perception of employee about the work place and involvement. Leadership styles include transformational, charismatic, transactional and laissez-faire (Bass, 1990b; Bass & Avolio, 1995; Burns, 1978). Based on the literature review theoretical framework was developed. The theoretical framework depicts the relationship between four different leadership style, independent variables and employee involvement, dependent variable.

With the aim of finding relationship between employee involvement and leadership style as depicted in theoretical framework survey questionnaire where developed which include three section namely demographic profile, leadership survey and employee involvement survey, The data were collected from employees working at randomly selected 5 private sector commercial bank situated at Kathmandu valley. The survey was carried out using convenience sampling from those randomly selected private sector commercial bank and obtained 124 valid response. The collected data were analyzed using computing software (Microsoft excel and SPSS). Descriptive analysis was made during the analysis correlation analysis and regression analysis conducted to find the relationship between leadership style and employee involvement.

The major finding or results of the study are summarized as below:

- i. The overall average mean value of Idealized influence attributed is 4.04 which shows that leaders of Nepalese private sector commercial bank were trusted and had attainable mission and vision.
- ii. The overall average mean value of Idealized influence behavioral is 4.01 which shows that leaders of Nepalese commercial banks had been able to identify themselves among their followers through their behavior.
- iii. The overall mean value of Inspirational motivation is 4.13 which shows that leaders of Nepalese private sector commercial bank behave in a ways that motivate and inspire those around them by providing meaning and challenge to their follower.
- iv. The overall mean value of Intellectual stimulation is 4.04 which shows that the leader of Nepalese private sector commercial bank encouraged their subordinates to be innovative and creative.
- v. The overall mean value of Individual consideration is 4.03 which shows that leaders of Nepalese private sector commercial bank often acted as coach, mentor and counseled their subordinates.
- vi. The overall average mean value of Transformational Leadership is 4.047, which shows that Transformational leadership style exists in private sector commercial bank of Nepal and transformational leaders were highly

- involved in motivating and inspiration their subordinate by providing meaning and challenge to their task.
- vii. The overall average mean value of Charismatic Leadership is 4.058, which shows that charismatic leadership style exists in private sector commercial bank of Nepal and charismatic leaders were highly involved in influencing their subordinate through idealized attributed and behavior.
 - viii. The overall mean value of Contingent reward is 3.95 which shows that leaders of Nepalese private sector commercial bank provide reward in order to get a reasonable degree of involvement, loyalty, commitment and performance from subordinates.
 - ix. The overall mean value of Management by exception active is 3.95 which shows that leaders of Nepalese private sector commercial bank monitored deviation from norms and provide corrective action.
 - x. The overall mean value of of Management by exception passive is 3.79 which show that leaders of Nepalese private sector commercial bank less demonstrated that problems must become chronic before taking action.
 - xi. The overall mean of Transactional Leadership is 3.796, which shows that transactional leadership exist in private sector commercial bank of Nepal.
 - xii. Laissez-faire Leadership Style does not exist in Nepalese private sector commercial banks.
 - xiii. The overall mean of Employee Involvement is 4.94, which shows that employee of private sector commercial bank of Nepal were highly involved.
 - xiv. The objective of this research is to examine the relationship between leadership style and employee involvement. Three research hypotheses were formulated and tested to test the relationship among them.
 - xv. The significance of the hypothesis between the variable are also analyzed from the significant value drawn from the sample. All three alternatives are accepted.
 - xvi. The correlation results were used to answer the three research hypotheses. The Pearson Correlation coefficient between all three independent variables and dependent variable (employee involvement) was done, which implies that three variables (transformational leadership,

charismatic leadership and transformational leadership) are positively correlated at 1% significant level.

- xvii. The Transformational Leadership Style had highest value of R-square is 0.501 which means 50.1 % change in employee involvement was explained by transformational leadership. However, the remaining 49.9 % is still unexplained in this research.

CHAPTER V

CONCLUSIONS

In the previous chapter, the data analysis and hypotheses testing was done according to the objectives of the study. This chapter presents summary and conclusion of the research. It is divided into four sections. This chapter gives a brief overview of findings of the study. It also draws inferences and conclusion forms the finding which will lead to make generalizations. Contribution of the study was discussed in this chapter. Based on the study, some recommendations have also been made.

5.1 Discussion

Mostly the result of the research has been discussed under relevant table of analysis or with each hypothesis testing. Results of correlation showed significance relationship among of all the variables at $p < 0.01$ (two tailed). The strongest correlation is between transformational leadership and employee involvement at 0.708. All correlations are significant with $p < 0.01$ (two tailed). This research was entirely focused leadership style and its relationship with employee involvement of private sector commercial banks of Nepal. The sample for the research was taken from employee working in private sector commercial banks. A review of the leadership and employee involvement on the banking industry of Nepal is very few. There is lack of study on the dimensions of leadership style or examine the relationship between leadership style and employee involvement in private sector banks of Nepal but there has been many research entitled around the world, many research were contributed in different dimensions of leadership style and employee involvement.

(McBain, The practice of engagement, 2007) Described employee engagement drivers as factors that create engagement in employees and components that organizational leaders offer employees. McBain identified the organization, management and leadership, and working life as categories of employee engagement drivers. Elements within these categories included organizational culture or brand, the leadership and management team, and the work environment (McBain, The practice of engagement, 2007). According to (SALLEH & SULAIMAN, 2013) is to explore and analyze how organizations in Malaysia could approach improvement by adopting the leadership competency model. By

using a modification model from the American Society of Training and Development (ASTD), this paper utilizes the improvement model in its role as a management tool to institute change. It specifically examines the implications of adopting the model within the organization system in Malaysia. With increasing global demand among organizations to become more competitive, Malaysia's organizations must utilize a leader competency model to improve leadership style and use the market-driven organizational approach more. Through the examination of the organization's culture and performance, it has discovered that the leadership and management style improvement in Malaysia. Workers' of banking sector has emerged as backbone of Nepal's economy. The study also found to show that the employee involvement of Nepalese private sector commercial banks is highly depending upon leadership style. This research survey have analyzed that there are significant relationships between leadership style and employee involvement.

G. Anjali & Dr. S. Anitha Devi (2013) found employees of banking industry having good relationship with their supervisors shows greater Employee Engagement and vice versa. Study done with 158 employees of private sector bank at Gujarat Pakistan Tuba Javeed and Yasir Aftab Farooqi (2013) concluded that transformational leadership style has positive and significant influence on certain work characteristics that is perception of meaningful work and job involvement. Moreover, if employees consider their work activates as meaningful and interesting they are more satisfied with their job. Transformational leadership causes this meaningfulness which in turn increases level of job satisfaction among employees.

The survey supports that all leadership style have positive and direct relationship with employee involvement in banking sector. This research clearly indicates that transformational leadership, charismatic leadership and transactional leadership style highly affect the employee involvement. This research is completely consistent with the above studies.

5.2 Conclusion

It included the descriptive statistics of the study population and the leadership style (independent) and employee involvement (dependent variables). 124 respondents completed the survey. Respondents included private sector commercial banks employees from different banks in the Kathmandu valley area. The MLQ-Form 5X Short for Raters included 24 core statements for measuring leadership styles. The Employee involvement Survey included 18 core statements for measuring the level of employee involvement. Respondents also completed demographic questions that included banking experience, work location, years in position, gender, age, and education. Employees in the private sectors commercial banks who perceived their supervisors or managers as transformational leaders, tended to have higher levels of employee involvement. In contrast, laissez-faire leadership style does not exist in private sector commercial banks of Nepal. Employees who perceive their supervisors or managers as transactional leaders, tended to have lower levels of employee involvement in comparison of transformational and charismatic leaders. Three research hypotheses was formulated and tested to test the relationship of three leadership style (transformational, charismatic and transactional) with employee involvement. The correlation results were used to answer the three research hypotheses which were supported by regression analysis.

Employee involvement has lot many determinants, but only three of them are included to keep the study manageable. Secondly, the population includes only five different available private sector commercial banks in the Kathmandu valley area. Alternative hypothesis relating to positive relationship between leadership style and employee involvement. Further research can be carried out with a larger sample and both public and private sector banks to explore the relationship.

5.3 Implications

The results of the study indicate transformational leadership is effective in increasing employee involvement in private sectors commercial banks of Nepal. The suggestions for further researcher who want to conduct study in this topic are summarized as follows:

- i. A limitation of the research is the small sample size and is done only 5 private sector commercial bank situated in Kathmandu Valley. Further research should duplicate the study with a larger sample form employees in all commercial bank of Nepal. Future research could include determining whether perceptions of leadership styles and employee involvement differ among employees in other cities of Nepal. However, if the further researcher able to collect more respondents, the finding will be more inclusive. Thus, for the further researcher, it is suggested to increase the response rate.
- ii. A comparative research study on similar topics could be done between private sector bank and public sector bank of Nepal.
- iii. This type of research is very less in case of Nepal. So, further research could be conducted in other various service sectors and also in manufacturing sectors.
- iv. The result of the study addressed transformational, charismatic and transactional leadership styles. Future research could include determining other leadership behaviors that can promote or hinder employee involvement in different sectors.
- v. The study involved a quantitative research method. Future research could include qualitative research methods for analysis. The qualitative method may prove useful in explaining the findings associated with the relations between leadership style and employee involvement. An exploratory approach may yield different results. A qualitative method could also provide an opportunity to develop new leadership and involvement tools.
- vi. This research is entirely made for the academic purpose. Thus, same sort of research can be done for the professional purpose.

References

- Alsolami, H. A., Cheng, k., Cheng, K. T., & Twalh, A. M. (2016). Revisiting innovation leadership. *Open Journal of Leadership*, 5(2), 19-32.
- Avolio, B., & Bass, B. (2005). *MLQ multifactor leadership questionnaire for research*. Mind Garden Inc.
- Avolio, B., & Bass, B. (1995). *Multifactor leadership questionnaire*. Redwood City: Mind Garden, Inc.
- Barbuto, J. (2005). Motivation and transactional, charismatic, and transformational leadership: A test of antecedents. *Journal of Leadership & Organizational Studies* , 11(4), 26-40.
- Bass, B. (1990). Bass & Stogdill's handbook of leadership: Theory, research, and managerial pplication (3rd ed.). *New York: Free Press*.
- Bass, B. (1990). From transactional to transformational leadership: Learning to share the vision. *Organizational Dynamics*, 18(3), 19-31.
- Branham, J. (2005). Are you engaged? *Leadership excellence*, 22(12), 12-13.
- Catteeuw, F., Flynn, E., & Vonderhorst, J. (2007). Employee engagement. *Organizational Development Journal*, 25(2), 151-157.
- Corace, C. (2007). Engagement-Enrolling the quite majority. *Organizational Development Journal*, 25(2),171-175.
- Dubrin, A. (2009). *Leadership: research finding, practice, and skills (6th ed.)*. Mason: South-Western Cengage Learning, Inc.
- Dwibedi, L. (2016). Leadership: Theory, principle and style. *Academic Voices: A Multidisciplinary Journal*, 6(1), 11-18.
- Fiedler, F. (1964). *Fiedler's contingency model of leadership effectiveness*. New York: Academic Press.
- Ghiselli, E. (1963). Managerial talent. *American Psychologist*, 18(10), 631-642.

- Gummadi, A., & Sharma, A. (2013). An emperical study on the relationship between determinants of employee engagement among the banking profesionas of gunter urban region. *Global Journal of Commerce & Management Perspective*, 2(5), 23-28.
- Hersey, P., & Blanchard, K. (1982). Leadership style: attitudes and behaviors. *Training and Development Journal*, 36(5), 50-52.
- Hinkin, T., & Schriesheim, C. (2008). An examination of "nonleadership": From laissez-faire leadership to leader reward omission and punishment omission. *Journal of Applied Psychology*, 93(6), 1234-1248.
- House, R. (1971). A path goal theory of leader effectiveness. *Administrative Science Quarterly*, 16(3), 321-339.
- Jacques, P. H., Garger, J., & Vracheva, V. (2016). The effects of two-source transformational leadership on student outcomes of service-learning projects. *Institute of Behavioral and Applied Management*, 4(1), 152-168.
- Jenkins, W. (1947). A review of leadership studies with particular reference to military problems. *Psychological Bulletin*, 44(1), 54-79.
- Kesby, D. (2008). Day-to-day leadership. *Human Resource Management International Digest*, 6(1), 3-5.
- Ketter, P. (2008). What's the big deal: About employee engagement. *62(1)*, 44-49.
- Kilburn, B., & Cates, T. (2010). Leader behavior: Gatekeeper to voluntary upward feedback. *Management Research Review*, 33(9), 900-910.
- Kimball, L., & Nink, C. (2006). How to improve employee motivation, commitment, productivity, well-being and safety. *Corrections Today*, 68(3), 66-70.
- Kirkbride, p. (2006). Developing transformational leaders: the full range leadership model in action. *Industrial and Commercial Training*, 38(1), 23-32.

- Koyuncu, M., Burke, R., & Fiksenbaum, L. (2006). Work engagement among women managers and professionals in a Turkish bank: Potential antecedents and consequences. *Equal Opportunities International*, 25(4), 299-310.
- Krueger, J., & Killham, E. (2005). At work feeling good matters.
- Larson, J. (2009). Transformational leadership. *Independent School*, 68(3), 50-58.
- Lawrence, J. (2007). Building an employee satisfaction survey. *Personnel Today*, 26-27.
- Lewin, K., & Lippitt, R. (1938). An experimental approach to the study of autocracy and democracy. *A preliminary note. Sociometry*, (3/4), 292-300.
- Little, B., & Little, P. (2006). Employee engagement: Conceptual issues. *Journal of Organizational Culture, Communication and Conflict*, 10(1), 111-121.
- Lockwood, N. (2007). Leveraging employee engagement for competitive advantage: HR's strategic role. *HRMagazine*, 52(3), 1-11.
- Lockwood, N. R. (2007). Leveraging employee engagement for competitive advantage:HR's strategic role. *HRMagazine*, 52(3), 1-11.
- Masson, R., Royal, M., Agnew, M., & Fine, s. (2008). Leveraging employee engagement: The practical implications. *Industrial and Organizational Psychology*, 1(1), 56-59.
- Mastrangelo, P. (2009). Will employee engagement be hijacked and reengineered? *OD Practitioner*, 41(2), 13-18.
- McBain, R. (2006). McBain, R. (2006). Employee engagement - the emergence of a new construct? *Henley Manager Update*, 17(4), 21-32.
- McBain, R. (2007). The practice of engagement. *Strategic HR Review*, 6(6), 16-19.
- McMurrer, D., & Bassi, L. (2007). Maximizing your return on people. *Harvard Business Review*, 85(3), 115-123.

- Nawar, Y. (2014). The impact of transformational leadership style. *The Business & Management Review*, 5(3), 32-42.
- Nickels, W. (2008). *Understanding business (8th edition)*. New York: McGraw-Hill.
- Northouse, P. G. (2010). *Leadership: Theory and practice (5th edition)*. SAGE Publications, Inc.
- Northouse, P. G. (2019). *Leadership: theory and practice*. Sage Publications, Incorporataion.
- Northouse, P. (2009). *Leadership: Theory and practice (5th ed.)*. Thousand Oaks: Sage Publications, Inc.
- Oshagbemi, T., & Ocholi, S. (2006). Leadership styles and behaviour profiles of managers. *Journal of Management Development*, 25(8), 748-762.
- Pech, R., & Slade, B. (2006). Employee disengagement: is there evidence of a growing problem? *Handbook of Business Strategy*, 7(1), 21-25.
- Pech, R., & Slade, B. (2006). Employee disengagement: is there evidence of a growing problem? *Handbook of Business Strategy*, 7(1), 21-25.
- Piccolo, R. F., & Colquitt, J. A. (2006). Transformational leadership and Job behaviors: The mediating role of core job characteristics. *The Academy of Management Journal*, 49(2), 327-340.
- Piccolo, R., & Colquitt, J. (2006). Transformational leadership and job behaviors: The mediating role of core job characteristics. *Academy of Management Journal*, 49(2), 327-340.
- Polet, R. (2009). Making employee engagement fashionable. *BusinessWeek Online* , 16.
- Rad, A. M., & Yarmohammadian, M. (2006). A study of relationship between managers' leadership style and employees' job satisfaction. *Leadership in Health Service*, 19(2), 11-28.

- Rainey, H. (2009). *Understanding and managing public organizations (4th ed.)*. San Francisco: John Wiley & Sons, Inc.
- Rainey, H. (2009). *Understanding and managing public organizations (5th ed.)*. San Francisco: John Wiley & Sons, Inc.
- Robbins, S., Judge, T., & Hasham, E. (2009). *Organizational behaviour (12th ed.)*. Pearson Education Inc, Prentice Hall.
- SALLEH, K., & SULAIMAN, N. (2013). Malaysia leadership competencies: A model for effective. *International Journal of Human Resource Management and Research*, 3(2), 63-70.
- Sanchez, P. (2007). The employee survey: More than asking questions. *Journal of Business Strategy*, 28(1), 48-56.
- Schenk, C. (1928). Leadership an introductory outline. *Infantry Journal*, 33(2), 111-122.
- Schiemann. (2006). High engagement: Leadership Excellence. 23(10), p10.
- Schiemann, W. (2007). Aligning people. *Leadership Excellence*, 24(8), 20.
- Shriberg, A., & Shriberg, D. (2010). *Practicing leadership principles and applications (4th ed.)*. Hoboken: John Wiley & Sons, Inc.
- Snell, A. (2009). Tackling the challenge of employee engagement. *Strategic HR Review*, 8(2), 4-15.
- Stairs, M., Galpin, M., Page, N., & Linley, A. (2006). Retention on a knife edge: The role of employee engagement in talent management. *Selection and Development Review*, 22(5), 19-23.
- Tead, O. (1935). *The Art of Leadership*. McGraw Hill, New York.
- Wellins, R., Bernthal, P., & Phelps, M. (2005). Employee engagement: The key to realizing competitive advantage. *Retrieved from [http:// www .ddiworld. com /ddi/media/monographs/employeeengagement_mg_ddi.pdf?ext=.pdf](http://www.ddiworld.com/ddi/media/monographs/employeeengagement_mg_ddi.pdf?ext=.pdf)*.

- Wildermuth, C., & Pauken, P. (2008). A perfect match: Decoding employee engagement - Part I: Engaging cultures and leaders. *Industrial and Commercial Training, 40(3)*,122-128.
- Wildermuth, C., & Pauken, P. (2008). A perfect match: Decoding employee engagement - Part II: Engaging jobs and individuals. *Industrial and Commercial Training, 40(4)*, 206-210 DOI: 10.1108/00197850810876253.
- Woodruffe, C. (2006). The crucial importance of employee engagement. *Human Resource Management International Digest, 14(1)*, 3-5.
- Xirasagar, S. (2008). Transformational, transactional, and laissez-faire leadership among physician executives. *Journal of Health Organization and Management, 22(6)*, 599-613.
- Yukl, G., Gordon, A., & Taber, T. (2002). A hierarchical taxonomy of leadership behavior: Integrating a half century of behavior research. *Journal of Leadership & Organizational Studies, 9(1):15-32, 9(1)*, 15-32.

APPENDIX

Perceived Leadership Styles and Employee Involvement in Private Sector

Commercial Banks of Nepal

Survey Questionnaire

Dear Sir/Madam,

I would like to inform you that I am undertaking a research work on “**Perceived Leadership Styles and Employee Involvement in Private Sector Commercial Banks of Nepal**” to meet the partial requirement of MBS Degree in Management from Tribhuvan University. You are kindly requested to fill up the following questionnaire according to what takes place in your work environment. Your honest opinion is extremely valuable for completing this research. All answer to questions will be treated confidentially.

SECTION-A (DEMOGRAPHIC PROFILE)

1. **Gender:** Male () Female ()

2. **Marital status:** Married () Unmarried ()

3. **Age:** Below 20() 20-25() 25-30() 30-35()
35 or above ()

4. **Academic qualification:** Intermediate () Bachelor ()
Master Degree () Other (.....)

5. **Monthly Income level (Rs in 000):** Below 10() 10-15() 15-20()
20-25() 25-30() 30-35() 35 or above ()

6. **Number of years in banking Service:**.....

7. **Length of time with current supervisor/manager (in months):**.....

8. **Department:**.....

9. **Position (like Assistant, Junior Assistants, Trainee Assistants and so on):**.....

SECTION-B (LEADERSHIP SURVEY)

This questionnaire is used to describe the leadership style of your immediate supervisor/manager. For each statement, please circle how frequently each statements fits the person you are describing. Use the following rating scale.

1	2	3	4	5
Not at all	Once in a while	Sometimes	Fairly often	Frequently

My immediate supervisor/manager,

S.N	Statement of Questionnaire	1	2	3	4	5
1	Pride in being associated with followers.					
2	Make personal sacrifices for the benefit of the group.					
3	Act in the ways that builds my respect.					
4	Make others feel good to be around him/her.					
5	Have complete faith on followers.					
6	Provide rewards when others reach their goals.					
7	Shows a powerful vision of the future.					
8	Expresses confidence that goals will be achieved.					
9	Even if things are working I motivate to change for better.					
10	Help others to develop themselves.					
11	Seeks differing perspectives when solving problems.					
12	Suggest new ways of looking at how to complete task/ assignment.					
13	Spends time supporting and coaching.					
14	Helps to develop the strength.					
15	Help others to find meaning in their work.					
16	Expresses with a detail words what we could and should do.					
17	Make clear what one can expect to receive when performance goals achieved.					
18	Satisfied when others meet agreed-upon standard.					
19	Focuses attention on irregularities, mistakes, exceptions.					
20	Direct my attention towards failures to meet standards.					
21	Keep track to avoid mistakes or correct mistakes.					
22	Fails to interfere until problem is serious.					
23	Wait for things to go wrong before taking action.					
24	Implement punishments or corrective action for mistakes.					

SECTION-C (INVOLVEMENT SURVEY)

This questionnaire is used to describe the employee Involvement. As you read through the questions, please circle the one that best reflects you. Use the following rating scale.

Strongly disagree	Disagree	Not Sure	Agree	Strongly Agree
1	2	3	4	5

S.N	Statement of Questionnaire	1	2	3	4	5
1	I know what is expected of me at work.					
2	I have the materials and equipment I need to do my work right.					
3	At work, I have the opportunity to do what I do best every day.					
4	My supervisor seems to care about me as a person.					
5	There is someone at work who encourages my development.					
6	At work, my opinions seem to count.					
7	The mission of my company makes me feel my job is important.					
8	My associate's employees are committed to doing quality work.					
9	I have a best friend at work.					
10	This last year, I have had opportunities at work to learn and grow.					
11	I know I am punctual at my work.					
12	I carry on my work even if my time of work has completed.					
13	I give my full attention to my work.					
14	My job provides me an opportunity to implement the knowledge through training.					
15	Availability of schemes for personal growth and development.					
16	I would accept any type of job assignment in order to keep working for this bank.					
17	I am very much involved personally in my job.					
18	I am proud to tell others that I am part of this bank.					

Thank You !!!