IMPACT OF LEADERSHIP STYLE ON JOB PERFORMANCE OF EMPLOYEES: COMPARATIVE ANALYSIS OF BANKING SECTOR

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KEYWORDS
Leadership Styles, Job Performance, Public & Private Baking Sector

ABSTRACT
The study is conducted on comparative analyses of public & private banking sector of Pakistan, with the focus upon leadership styles and employees job performance. To assess the effects of leadership style on job performance of employees of public and private banking sectors, are the major objectives. Secondly, to assess effect of leadership style on job performance of female’s and male’s employees in both sectors. Study is quantitative in nature and conducted upon employees of Govt and private banking sector of Punjab. Information was collected from 200 employees of the banking sector, i.e. 100 each respondent from private and Govt baking sectors. Google document an online platform is used to approach targeted respondents from population. Positive effects of leadership style were found on job performance of male’s employees, as compared to female employees. It is concluded that leadership styles have substantial effects upon the job performance of rural workers of banking sector, and leadership styles have more impact upon private sector banking employees as compared to public sector. From results, it is concluded that such types of studies are vital and must be conducted at large scale with some other factors.

INTRODUCTION
Leadership is a quality by which a particular stimulates the people with his leadership styles, to follow his instructions and his judgements (Osama & Hamzah, 2022). Leader set a goal or objective and achieve it by obtaining and influencing his followers (Leslie, Baker, Egan, Esdaile & Reeves, 2013). The ability to inspire and motivate people to work together and to do certain task is known as leadership (Sundi, 2013; Jauhari, Singh & Kumar, 2017). Every leader has his leadership style for
leading, controlling and motivating his employees or followers. The leadership style is termed by (Cuadrado, García & Molero, 2015) that habits, styles, and way of realizing goal are 2-dimensional in a leader behavior. In which either leaders’ way of achieving goal will be task oriented or relation oriented. In addition, Memon (2014) defines leaders provide direction to the team, influence team and implement the plans to achieve the organization goal. Leaders use various leadership styles for leading the organizations, groups, teams, or departments (Mehmood & Arif, 2011). It is found that for a leader no one style of leadership is enough. Thus, leaders are efficient when they use combination of leadership styles (Darling & Leffel, 2010). For realizing organization goals, leaders use leadership style for controlling, influencing, directing and encouraging others (Kristanti and Harahap, 2012). The ability to motivate and encourage followers to get desired targets and goals of an organization is called leadership (Ivancevich, Matteson & Konopaske, 2008). The success of an organization and how they attain their leading goals and objectives truly depend upon the leaders traits and their leadership styles.

Employees’ job satisfaction level, productivity and commitment can be affected by using suitable leadership styles (Osama & Hamzah, 2022). It is the composite model of different behaviors that include characteristics, skills and managerial attitudes based on organizational values, reliability of employees and leader’s interests (Mosadeqhrad, 2006). The leaders have the potential to take the maximum output from subordinates. High performance can only be obtained from the subordinates, only when management respect the workers, encourage efficiency and have a good communication network (Aronson, Sieveking, Laurenceau & Bellet, 2003). Amos, (2000) mentioned that there is a definite relation between employee performance and leadership styles. This fact was doubted due to less literature and realistic evidence. There is understanding in the literature (Maritz, 1995) that accomplishment or breakdown of business hangs on leadership. Excellent and successful leadership reflects successful organizations (Osama & Hamzah, 2022). Organizational performance is realized when leaders are effective. Furthermore, leadership as always is considered pivotal and important factor for a triumph or collapse of any institution. Performance is output or the services given by the employee. Employee performance is how much an employee is contributing towards organization goal. Therefore, how is the output quality and quantity, cooperative attitude and work attendance (Gordon, 2000).

Problem Statement
The problem addressed in this study is related with exploring leading issues like leadership styles and performance with aim to examine issues from new dimensions and to produce new knowledge. To motivate, influence and inspire employees for attaining organizational goals and targets leaders adopt a set of qualities is called leadership style. Or it can be stated that a set of preferred habits, behaviors, and strategies that are applied by leaders is known as leadership style (Gencer & Samur, 2016). Employee performance is based on tasked assigned, work completion, usefulness ability, and efficiency in doing work. From literature review and past studies, it has been proved that both the leadership styles and job performance have positive and significant relationship with each other. But, in banking sector this area is still ignored and unstudied. So, in current study, the basic issues which is going to address is that how leadership styles have impact on Govt and private banking employees in Pakistan.
Objective of Study
1. To assess the effects of leadership style upon job performance of employees of government banking sectors.
2. To evaluate the impact of leadership style upon job performance of employees of private banking sectors.
3. To assess effects of leadership style on job performance of male’s employees of government banking sectors.
4. To evaluate the impact of leadership style upon job performance of the female’s employees’ government banking sectors.
5. To assess the effects of leadership style on job performance of urban and rural employees of private banking sectors.
6. To evaluate impact of leadership style upon job performance of urban and rural employees of the banking sectors.

Research Questions
1. What are the effects of leadership style upon job performance of employees of government banking sector context?
2. What is the impact of leadership style upon the job performance of employees of private Banking sectors?
3. What are the effects of leadership style upon the job performance of male’s employees of government banking sectors?
4. What is the impact of leadership style upon the job performance of female’s employees’ government banking sectors?
5. What are the effects of leadership style on job performance of urban and rural employees of private banking sectors?
6. What is the impact of leadership style on job performance of urban and rural employees’ government banking sectors?

LITERATURE REVIEW
Leadership quality is required to attain the set of goal or vision by influencing the set of people. In management, leadership is an extensively investigated subject as according to Kalsoom, Khan and Zubair (2018), for an organization and organizational leaders, leadership and leadership skills are the most vital component and skill. The employee performance is directly or indirectly effected by leadership styles. Saad, Abdullah, Othman and Robani (2014) itemized that in organization leaders play an important role in managing the employees, they encourage an environment in organization that helps in employee retention, create loyalty for organization and helps in knowledge sharing leaders with their capabilities can see organization future, they can even predict success or failure of the organization (Asrar & Kuchinke, 2016). While building an association team performance is considered as important part. Joint efforts from team members in an organization can led to progress of an organization rather than an effort by an individual or two persons. The organizations strategic goals will depend upon the performance of the team. Overall team and employee’s performances will be directly influenced by the leaders (Othman et al., 2014). Thus, leadership has no universally
accepted definition that is emerged, however as a concept it is flexible, complicated, and dynamic (Peretomode, 2012).

As specified by Eze (1982), leadership is taken as an interpersonal concept, that implies both the parties working together. Leaders need followers, and effectiveness of leaders depends upon the type of team he is leading and circumstances in which he is leading and the concept of leadership involves the will to work, and motivation and conviction (Igbaekemen, 2014). In compliance with Asika (2004), leadership is a mean by which an individual directs the efforts of a team or group of teams to achieve specific target. In line with Armstrong (2002), leadership is way which motivate and support people to work efficiently towards attaining the ambitions. Martin (2015), leadership is regarding establishing connections amongst people and achieving the significant transformation by emphasizing standards and creating common dream among everybody in organization. Following Asghar and Abbas (2010) transformational leadership is style which motivate people and increases the level of dedication for successes of organization keeping their private advantages aside. Wang and Howell (2010), in this connection, group-level and individual development is primarily related to transformational leadership. The transformational leadership style is most popular and valuable form of leadership style. This style is widely researched, its emphases is on followers values, needs and morals, where as it has an intuitive appeal and has an expansive leadership view (Suresh & Rajini, 2013).

Punishment and reward (Robbins, Judge & Hasham, 2009) is unified in transactional leadership style for end of assignments (Bass & Avolio, 1997). In an organization leaders lead the followers by motivation, guidance, clarifying roles and task requirements to achieve target set by organization (Robbins & Judge, 2017). It is unlikely to generate commitment to task objectives, but transactional leaders may lead to follower obedience (Nam & Mohammad, 2011). The employees innovative and creative skills are hindered as transactional leader, groups are toward interim compromise process (Dai et al., 2013). Positive outcomes of organization are linked to transactional leadership (Afshari & Gibson, 2016). Employee outcomes are strongly impacted by transactional leadership (Podsakoff et al., 2006). For positive organization outcome and employee’s behavior, there is huge contribution of transactional leadership style. It is found that transformational leadership is visionary leadership style. To exceed certain expectations leaders, have to motivate employees (Doucet, Fredette, Simard & Tremblay, 2015). Vison and guidelines are provided by transformational leader to its employees. Leader’s try to inspire people through their vision and charisma, and are more of charismatic leader. Burns (1978), presented transformational leadership concept and branded that views and mindsets of employes are modified by inspiring them. In achieving particular goal leaders provide vision and motivate employees.

Rouche and Baker (1989); Nikbin, Tajasom, and Hyun (2015) explained that organizational mission and goals are accomplished by transformational leaders with the help of their followers. Beliefs, behavior, attitude and values are influenced by motivating the followers of the leaders. Employees of the organization are encouraged by transformational leaders, in such a way that is goes beyond exchanges and rewards. It is evident from theories that, an emotional attachment is created among leaders and employees/followers when leader start following transformational style of leadership.
Due to transformational leadership style employees have a respect and trust relationship with their leader. The quality impact of leadership style on followers, can be evaluated by the effect made by transformational leader. Workers demonstrate an extra ordinary effort to fulfil leader expectations (Barbuto, 1997). Total output given by an employee during specific period of time for organization is called job performance (Motowidlo & Kell, 2012). Job performance is measured in different ways (Pradhan & Jena 2017). Job performance can be defined as how professionally employee fulfils his or her tasks (Torlak & Kuzek, 2019). The level of performance will depend upon skills, knowledge, expertise for the work and its behavior for task (Pawirosumar et al. 2017). Behaviors and attitudes of the employees are differently affected by leadership styles. It can have a positive or negative effect in different situations.

As evident in literature long term performance and outcome variables are positively/negatively affected by the transactional and transformational leadership behavior respectively. Organization performance, motivation, self-efficacy and creativity are positively influenced by transformational leadership (Jyoti & Bhau, 2015). For positive organization outcome and employee’s behavior, there is a huge contribution of transactional leadership style. Employee outcomes are strongly impacted by transactional leadership (Podsakoff et al. 2006). On other side job satisfaction & organizational behavior are enhanced and improved by transactional leadership (Pine, Rich, Crawford, & Zhang, 2015). Martin (2015), leadership is about establishing connections amongst people and achieving significant transformation by emphasizing standards & creating common dream among everybody in organization. In an organization leaders lead followers by motivation, guidance, clarifying roles and task requirements to achieve the target set by the organization (Robbins & Judge, 2017). Thus, transformational leaders inspire organizational change and help individual to adopt it (Baldwin Bommer, & Rubin, 2004). As conclusion, transactional and transformational leadership styles both regulate employees and subordinates. Both styles change stance toward their leaders, organization productivity and job performance.

Research Hypotheses
H1: There are positive effects of leadership style upon job performance of the male’s employees as compared to female employees.
H2: There are positive effects of leadership style upon job performance of the rural employees as compared to urban employees.
H3: There are positive effects of leadership style on job performance of employee’s private bank as compared to Govt banks.

RESEARCH METHODOLOGY
Study is quantitative in nature and conducted on employees of Govt and private banking sector of Punjab. Past studies have been conducted on diverse sectors with different sample size and different population but here the population of study is workers of Govt and private banking sector. For this study data was collected from 200 employees of banking sector including 100 respondents from private banking sector and 100 employees from Govt baking sector. As, the past studies of this area indicated that questionnaire is best tool for data collection from respondents. So here the data was collected with help of adopted and adapted measures from past studies. First part of questionnaire
is demographic of respondents which is based on Gender of respondents, education of respondents, area of respondents and banking sector of respondents. First variable is independent variable was “leadership styles” and this scale is adopted from past studies of (Razak, Sarpan, & Ramlan, 2018; Khuong, & Hoang, 2015; Asrar & Kuchinke, 2016) and scale has 16 items. All items of Leadership styles” has been on 5-point Likert scale, 1= “SA” to 5= “SDA”. Second variable is “Job Performance” which is adopted from (Yusoff, Ali & Khan, 2014) and this variable has 25 items. All the items are having been on 5-point Likert scale, 1= “SA” to 5= “SDA”. With the help of the google doc online platform is used to approached the targeted respondents from the population. A questionnaire was developed on google doc and shared with banking employees who are working in private and Govt banking sector. After the data collection, the SPSS-25 software is used for data analysis and testing of hypotheses. In this study, reliability analysis, regression analysis procedures are applied to test hypothesis of study.

RESULTS OF STUDY

Table 1 Demographic Analysis

<table>
<thead>
<tr>
<th>Gender</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>178</td>
<td>89.0</td>
</tr>
<tr>
<td>Female</td>
<td>22</td>
<td>11.0</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Education</td>
<td></td>
<td></td>
</tr>
<tr>
<td>BA/BS</td>
<td>40</td>
<td>20.0</td>
</tr>
<tr>
<td>Masters</td>
<td>134</td>
<td>67.0</td>
</tr>
<tr>
<td>MS/MPhil</td>
<td>26</td>
<td>13.0</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Banking Sector</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Private</td>
<td>100</td>
<td>50.0</td>
</tr>
<tr>
<td>Government</td>
<td>100</td>
<td>50.0</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Area</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Urban</td>
<td>148</td>
<td>74.0</td>
</tr>
<tr>
<td>Rural</td>
<td>52</td>
<td>26.0</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>200</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Directly above table shows the results of demographic variables. It is indicated in above table that males are 178(89.0%) and 22 (11.0%) are females banking employees. Above table also shows that 40(20.0%) banking employees have BA/BS level education and 134(67.0%) respondents have masters level education, Whereas, 26 (13.0%) respondents have MS/M. Phil education. Moreover, above table shows that 100 (50.0) respondents are working in private banking sector and 100(50.0) are working in Govt banking sector. Results provide important information and lastly, table shows that 148(74.0) respondents belong to urban area and 52(26.0%) belong to rural area. For this study sample size was 200.

Table 2 Reliability Analysis

<table>
<thead>
<tr>
<th>Variables</th>
<th>Items</th>
<th>CA</th>
</tr>
</thead>
<tbody>
<tr>
<td>LS</td>
<td>16</td>
<td>.885</td>
</tr>
<tr>
<td>JP</td>
<td>25</td>
<td>.921</td>
</tr>
</tbody>
</table>

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Reliability analysis of variables is mentioned in above table. The test results of reliability analysis indicated Cronbach alpha values of job performance and leadership styles. It is indicated in above table “Leadership Style” has 16 items with Cronbach alphas values of 0.885 and “Job Performance” has 25 items with Cronbach alpha values of 0.921. Both the values are excellent and supported for further analysis.

Table 3 There are positive effects of leadership style on job performance of male’s employees as compared to female employees.

<table>
<thead>
<tr>
<th></th>
<th>B</th>
<th>SE</th>
<th>Beta</th>
<th>t</th>
<th>p</th>
<th>R2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>(Constant)</td>
<td>6.667</td>
<td>1.358</td>
<td>4.910</td>
<td>.000</td>
<td>.915</td>
</tr>
<tr>
<td>LS</td>
<td>1.340</td>
<td>.045</td>
<td>.913</td>
<td>29.687</td>
<td>.000</td>
<td>.915</td>
</tr>
<tr>
<td>Female</td>
<td>(Constant)</td>
<td>10.529</td>
<td>12.215</td>
<td>.846</td>
<td>.408</td>
<td></td>
</tr>
<tr>
<td>LS</td>
<td>1.335</td>
<td>.358</td>
<td>.640</td>
<td>3.727</td>
<td>.000</td>
<td>.640</td>
</tr>
</tbody>
</table>

Above table shows the test results of regression analysis on first hypothesis of study. It is indicated in above table that leadership styles have more effects on job performance of male banking employee as compared to female banking employees. It is statistical evident from regression test that male banking employees has (B=1.34; t= 29.6; p=.000 and R2=0.91) and female banking employees has (B=1.33; t= 3.72; p=.000 and R2=0.64). Moreover, the change in R2 is very significant with aspect of male and female banking employees and p is less than 0.05 consequently the first hypothesis of study is approved.

Table 4 There are positive effects of leadership style on job performance of rural employees as compared to urban employees.

<table>
<thead>
<tr>
<th></th>
<th>B</th>
<th>SE</th>
<th>Beta</th>
<th>t</th>
<th>p</th>
<th>R2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Urban</td>
<td>(Constant)</td>
<td>8.397</td>
<td>1.655</td>
<td>5.080</td>
<td>.000</td>
<td>.763</td>
</tr>
<tr>
<td>LS</td>
<td>1.275</td>
<td>.059</td>
<td>.873</td>
<td>21.658</td>
<td>.000</td>
<td></td>
</tr>
<tr>
<td>Rural</td>
<td>(Constant)</td>
<td>7.559</td>
<td>5.286</td>
<td>1.430</td>
<td>.159</td>
<td></td>
</tr>
<tr>
<td>LS</td>
<td>1.362</td>
<td>.144</td>
<td>.800</td>
<td>9.444</td>
<td>.000</td>
<td>.641</td>
</tr>
</tbody>
</table>

Above table shows test results of regression analysis on second hypothesis of study. It is indicated in above table that “leadership styles” has more effects upon job performance of rural based banking employees as compared to urban based banking employees. It is statistical evident from regression test that rural based banking employees has (B=1.362; t= 9.44; p=.000 and R2=0.641) and urban based banking employees has (B=1.27; t= 21.65; p=.000 and R2=0.763). Also, change in R2 is very weighty with aspect of urban and rural based banking employees and p is less than 0.05 so second hypothesis of study is approved.

Table 5 There are certain effects of leadership style on job performance of employee’s private bank as compared to Govt banks.

<table>
<thead>
<tr>
<th></th>
<th>B</th>
<th>SE</th>
<th>Beta</th>
<th>t</th>
<th>p</th>
<th>R2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Private</td>
<td>(Constant)</td>
<td>6.142</td>
<td>2.692</td>
<td>2.281</td>
<td>.025</td>
<td></td>
</tr>
</tbody>
</table>
Above table shows the test results of regression analysis on third hypothesis of study. It is indicated in above table that “leadership styles” has effects on job performance of private banking employees as compared to Govt banking employees. It is statistical evident from regression test that private banking employees has (B=1.379; t=16.73; p= .000 and R2=.741) and Govt banking employees has (B=1.297; t=14.73; p=.000 and R2=0.689). Moreover, the change in R2 is very significant with aspect of private and Govt based banking employees and p is less than 0.05 so the third hypothesis of study is approved.

**DISCUSSION**

The current study has focused on influence of leadership styles on employee performance. So, there are three hypotheses formulated on bases of past studies and in direction of objectives and research questions. The first hypothesis of the study was “There are positive effects of leadership style on job performance of male’s employees as compared to female employees” and this hypothesis was tested over regression analysis. Major results show that leadership styles have more positive & significant effects on job performance of male banking employees as compared to female banking employees. Change in R2 is very significant with aspect of male, female banking employees and p is less than 0.05, so the first hypothesis of study is approved. Moreover, the past studies of (Zareen, Razzaq, & Mujtaba, 2015; Yahiya & Ebrahim, 2016; Faizan, Nair, & Hague, 2018; Aqqad, Obeidat, Tarhini, & Masa’deh, 2019; Almeida, et al., 2022) also proved that leadership style has considerable and thus positive impact of leadership styles on job performance of male employees in different context and regions. So, Finally, the current finding of study are in line of past studies and proved the hypothesis of the study.

The second hypothesis of study “there are positive effects of the leadership style on job performance of rural employees as compared to urban employees” So, this hypothesis was tested through regression analysis. Major findings show that “leadership styles” has more considerable and positive effects upon the job performance of rural banking employees as compared to urban banking employees. Moreover, the change in R2 is very significant with aspect of urban and rural banking employees and p is less than 0.05 so second hypothesis of study is approved. Moreover, the past studies of (Makhdoom, & Daas, 2022; Ingsih, Suhana, & Ali 2021) also concluded that leadership styles have considerable effects on job performance of rural employees of banking sector. So, Finally, the current finding of study are in line of past studies and proved the hypothesis of the study. The third hypothesis of study “there are positive effects of leadership styles on job performance of employee’s private bank as compared to Govt banks. So, this hypothesis was tested through regression analysis. Major findings show that “leadership styles” has more considerable & positive effects on job performance of private banking employees as compared to Govt banking employees. Moreover, the change in R2 is very significant with aspect of urban and rural banking employees and p is less than 0.05 so the second hypothesis of study is approved. Past studies of (Javed, Jaffari, & Rahim, 2014; Ozcan, & Ozturk, 2020; Hijazi, Kasim & Daud, 2017) supported outcomes that leadership have impact on private sector banking.
employees as compared to public sector employees. So, third hypothesis approved and supported from past studies.

CONCLUSION
This study has focused on the leadership styles and job performance of banking sectors of Pakistan with comparative analyses of Govt and private banking sector. So, in this context, quantitative in nature and conducted on employees of Govt and private banking sector of Punjab. For this study data was collected from 200 employees of banking sector including 100 respondents from private banking sector and 100 employees from Govt banking sector. With the help of google doc online platform is used to approached the targeted respondents from population. In this study, reliability analysis, regression analysis is applied to test the hypothesis of study. It is concluded that there are optimistic effects of leadership style on job performance of male’s employees as compared to female employees and leadership styles have substantial effects on job performance of rural employees of banking sector as well as leadership styles have more impact on private sector banking employees as compared to Govt sector employees. So, the third hypothesis also approved and supported from past studies.

REFERENCES


Khan, Shah & Chachar ... Impact of Leadership


