

**YANGON UNIVERSITY OF ECONOMICS
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**EFFECT OF LEADERSHIP STYLE ON EMPLOYEE
PERFORMANCE OF GLOBAL TREASURE BANK**

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PERFORMANCE OF GLOBAL TREASURE BANK**

**A Thesis submitted as a partial fulfilment of the requirements for the
degree of Master of Banking and Finance (MBF)**

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ABSTRACT

This study has investigated the effects of leadership style on employee performance in Global Treasure Bank. The main objectives of the study are to identify the leadership style of GTB, and to examine the effect of leadership on employee performance in Global Treasure Bank. The required data were obtained by using sample survey. Sample of 108 out of total 540 employees who have been working in head office of GTB bank are chosen by simple random sampling method. It is 20% of total employee in Head office. All statements are measured by Five Point Likert Scale items to examine the research objective formally. After collecting the data from sampled respondents, data analysis of the results of the survey followed. Linear regression analysis was used. Some strategies for improving supervisor's leadership and employee performance could be suggested. It indicated that transformational leadership behavior would lead to higher employee performance. The leaders or supervisors should be aware of what is important for the employee and the organizations as a whole and encourage the employees to see the opportunities and challenges around them creatively. Therefore, leaders or supervisors should be aware of the importance of transformational leadership style and try to put it in practice.

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LIST OF ABBREVIATIONS

Descriptions

GTB	Global Treasure Bank
MSR	Myanmar Survey Research
CBM	Central Bank of Myanmar
UOB	United Oversea of Singapore
FGB	First Gulf Bank of Singapore
OCBC	Oversea Chinese Banking Corporation Limited of Singapore
UBI	United Bank of India
UPI	Union Pay International
CMS	Card Management System
BOD	Board of Director
CEO	Chief Executive Officer
DMD	Deputy Managing Director
HR Dept.	Human Resource Department
IT	Information and Technology
PR	Public Relation
TT	Telegraphic Transfer

CHAPTER I

INTRODUCTION

The financial sector is the lifeblood of any country's economy, and its smooth functioning is central to the economy's rapid and inclusive economic growth. A well-functioning financial system must intermediate efficiently between savers and borrowers; manage risks prudently; provide a wide variety of financial services to firms, farms, and households; mobilize savings effectively; identify and lend for sound investments; remain robust in the face of shocks; and ensure that access to finance is available to all.

Myanmar banking sector started in 19th century when the Indian Presidency bank of Bangol opened in Yangon branch in 1861 during British colonial rule (Tin 2013). Yangon branch office of Reserve bank of India become the first Central bank of Myanmar (1939-1947). After Myanmar independence in 1948, Myanmar banking sector developed quickly under Democratic government. But after Revolution Council's government, all banks are nationalized in 1963 which were 10 domestic and 14 foreign banks. In 1992 private bank license were issued by the Military government. Thereafter there are 3 different ownership types of banking sector in Myanmar where 1) State owned banks, 2) Semi-government banks, and 3) private banks. The State Owned Banks; Myanmar Economic Bank, Myanmar Foreign Trade Bank, and Myanmar Agricultural Development Bank were all established under the socialist Union of Burma Bank Law in 1975. A fourth state bank, the Myanmar Investment and Commercial bank was set up in 1990. Semi government banks were owned by some ministries of government of Myanmar and their shareholders.

According to Myanmar Survey Research (2017), the long history of Myanmar banking sector, it is not only the success stories in the history, but also there were bank crisis in 2003 when a bank run on private banks led to the collapse of three major financial institutions and resulted in economic hardships for the whole country. It is the good evidence that the stability of financial sector is very important for the wellbeing of the country and its people. Therefore, it becomes important to understand how it may affect the different leadership style to the employee performance of a bank and the findings can be used for further development of the

banking sector in Myanmar to protect the fragility and improves the standard of the operating.

The success of every organization depends largely on leadership and for that matter the leadership style (s) adopted by the leader. Leadership is a universal feature of human societies and affects the quality of life of citizens in important ways (Brown, 1991; R. Hogan, Curphy, & Hogan, 1994). It becomes more important in times of crisis and leaderships of companies fail in the execution of their contract with shareholders and stakeholders. Leadership is the ability to inspire confidence and support among the people who are needed to achieve organizational goals (DuBrin, 2012). Another definition most appropriate to this paper and worth mentioning is the one given by the Investopedia. According to the Investopedia, “Leadership is the ability of a company's management to set and achieve challenging goals, take swift and decisive action, outperform the competition, and inspire others to perform well.” These definitions suggest that achievement of organizational goals depend on leadership in that organization irrespective of the type and size. Leadership is needed in both private and public organizations as well not for-profit organizations. The success of leadership therefore can be attributed to the type of leadership style (s) the leader demonstrates and more so, the environment.

In the recent past years, leadership has engaged as a new effective approach for managing the employees and organization at large. The traditional concept of personnel administration has gradually replaced with the human resource management. This give importance to the strategic integration of new leadership styles into effective management of employees and to improve the employee performance. Kenneth and Heresy assert that; “The effective leader must be a good diagnostician and adopt style to meet the demands of the situation in which they operate. Different leadership styles are used that fit to employees on the basis of amount of directions, empowerment, and decision making power. An administrative phenomenon reflects the contingency of leadership, and style, situation and performance criteria have been left to suffocate on their own. As a result, employee performance was affected due to lack of proper direction and application of strategic style in managing daily duties.

In past, the previous study investigated performance phenomena and how it was affected by various variables such as: Leadership, and with its different leadership styles such as transformational, transactional, and laissez-faire. It was noted that, in most studies, the concept of participative approach was highly lacking yet in the data collected, and also noted that this approach was critical to the sustainability of leadership processes especially in large work environments. All in all, the history of leadership and how it affects performance of employees dates as back as early as the 17th century where towards the end of that century we started noticing a shift from treating humans as machines and rather see them as human capital necessary for the achievement of different work tasks.

The Leadership style that characterizes the interaction between leaders and their followers is most important in terms of employees' efficiency and productivity. For efficiency purpose, an effective leadership style, one that positively affects employees' result in better performances, effectiveness and productivity is clearly desirable (turner & Muller, 2005). Global Treasure Bank (GTB) is the public company today while it has been one of the semi-government banks in the 90's. It has experienced many different ownerships together with different leadership style along its 23 years of services in Myanmar. Therefore, this study was focus on GTB's different leadership style and employee performance to understand the relationship between them.

1.1 Rationale of the Study

Employee performance includes executing defined duties, meeting deadline, employee competency and effectiveness and efficiency in doing work. Various organizations need strong leadership style that stimulate the employee performance. The employees also perceived that is a need of a leader who should not only have to lead people but also be effective. So they need of effective leader who can lead the people toward the changes and performance improvement. The financial sector in Myanmar is the least developed of all in Southeast Asia and cannot adequately fulfill its role as a financial intermediary. However, due to the recent refer process, the sector has already undergone tremendous changes. However, due to the recent reform process, the sector has already undergone tremendous changes. The main challenges

ahead for the banking sector are the management of the reforms, including the pace thereof, and the development of human resources. These challenges become even more important when considering foreign banks entering the market from 2016 onwards, after Myanmar have joined the single market of ASEAN Economic Community. Backed by the banks' strong demand as well as by political and economic liberalization, the supporting infrastructure for Myanmar banks is developing at a fast pace. A market research conducted by the Myanmar Survey Research(MSR,2017) on behalf of the GIZ (2013) finds that banks themselves agreed that leadership skills as the most important qualification for the current situation and the future.

The increase of organization productivity and employee performance is not possible without effective application of employees' ability and their motivation and the one of the leadership skill is that to strengthen the creativity and innovation in the staff. Certainly, the managers' leadership styles are very effective in right driving of the employees for organizational purpose. Use of the best style of leadership will lead to increased organizational effectiveness and efficiency. This research is therefore necessary to take steps to improve employee performance, because the type of employee performance is perquisites to organizational effectiveness. In fact, if the manager has the skills and techniques to effectively manage the relationship with employees, motivation and job satisfaction levels of the employees are also higher and given that the engine of an organization is its employees, this can effective help to improve the performance of total organization. According to this reason, this study examine the leadership style use in GTB and explore the effect of leadership style on employee performance in the Global Treasure Bank.

1.2 Objectives of the Study

The objectives of the study are,

- a) To identify the leadership style of Global Treasure Bank and
- b) To examine the effect of leadership style on employee performance of Global Treasure Bank.

1.3 Scope and Method of the Study

The study has investigated the effect of leadership style on employee in Global Treasure bank. Sample of 108 out of total 540 employees who have been working in head office of GTB bank are chosen by simple random sampling method. The required data is collected by using structure questionnaire. There are three section in questionnaire. The first part of the questionnaire is concerned about the demographic data of sampled respondents. The second part of the questionnaire is regarding the employee perception of three type of leadership style such as transformational, transactional, and Laissez-faire leadership style. In this part, transformational leadership style is measured by four dimensions (with twenty-four statement), transactional leadership style is measure by three dimensions (with nineteen statement) and laissez faire leadership style are measured by 6 statement. All statements are measured by Five Point Likert Scale items to examine the research objective formally. The employee performance is measured by last part of the questionnaire. It has only fourteen statement measures by Five Point Likert Scale ranging from “1=strongly disagree to 5=strongly agree”. Linear regression analysis was used since the determination of the causality between the independent variables and dependent variable was accrued. The independent variables are the transformational, transactional and laissez faire leadership styles, while the dependent variables are the executing defined duties, meeting deadlines, team input and achieving departmental goals in the Global Treasure Bank This research follows a survey design and analysis is based on primary and secondary data required in the study.

1.4 Organization of the Study

This study is organized in combination of the five chapters. The chapter (1) is introduction. The chapter (2) presents the literature review emphasizing on the nature, behavior, style of the leadership and employee performance. The chapter (3) discusses the background history of the Global Treasure Bank relating to the extent of leadership style and organizational structuring. The chapter (4) scrutinizes and analyzes on the effect of leadership style on employee performance of the GTB. The chapter (5) is the conclusion with findings, suggestions, and the needs for further study.

CHAPTER II

LITERATURE REVIEW

The chapter presents a review of the literature related to the study. Past studies are important as they guide the researcher on other studies done on the same topic. From this review, a conceptual framework using the dependent and the independent variables in the survey is developed, which lays a framework for the study.

2.1 Leadership and Leadership Styles

Although leadership has been well researched over the years, there is still lack of a definition that is universally accepted. Just like Stogdill (1974) puts it, “There are almost as many definitions of leadership as there are persons who have attempted to define the concept”. The following are a few examples of such definitions Talat et al (2015) asserts that leadership is wide spread process, which calls for authority, responsibility and delegation of power. Leaders help to direct, guide and persuade their followers (employees) towards achieving their personal and organizational goals and objectives. Thus, leadership styles cover all aspects of dealing within and outside of an organization, handling or dealing with conflicts, helping and guiding the workforce to achieve and accomplish their tasks and appearing as a role model for all. According to Kumar (2014) “leadership is defined as a process by which a person influences others to accomplish an objective and directs the organization in a way that makes it more cohesive and coherent”. These are accomplished through the application of leadership attributes, such as beliefs, values, ethics, character, knowledge, and skills. Leadership is the integrated sharing of vision, resources, and value to induce positive change. It is the ability to build up confidence and zeal among people and to create an urge in them to be led.

Wammy & Swammy (2014) see leadership as a social influence process in which the leader seeks the voluntary participation of subordinates in an effort to reach organization goals and therefore a leader is a person who delegates or influences others to act so as to carry out specified objectives. Memon (2014) defines leadership

as process by which an individual influences the thoughts, attitudes and behaviors of others by taking responsibility for setting direction for the firm, others to see and visualize what lies ahead and figure out how to archive it.

Leslie et al (2013) asserts that leadership is the ability to influence people to willingly follow one's guidance or adhere to one's decisions. On the other hand, who a leader is; one who obtains followers and influence them in setting and achieving objectives. In Sundi (2013), "Leadership is the ability to convince and mobilize others to work together as a team under his leadership to achieve a certain goal". Leadership is the influencing process of leaders and followers to achieve organizational objectives through change Lussier and Achua (2009).

According to Hill (2008). Leadership is the process of motivating, influencing and directing others in the organization to work productively in the pursuit of organization goals. Armstrong (2003), leadership is simply the ability to persuade others willingly to behave differently for achieving the task set for them with the help of the group. Leadership, according to Levine and Crom (1994), "is about listening to people, supporting and encouraging them and involving them in the decision-making and problem-solving processing. It is about building teams and developing their ability to make skillful decisions".

Conger (1992) define leadership as "individuals who establish direction for a working group of individuals who gain commitment from these group of members to this direction and who then motivate these members to achieve the direction's outcome".

Basically every leader has a different behavior in leading his followers. It is called leadership style. Cuadrado et al (2007) described leadership style as consistent set of behaviors /patterns, proposing two dimensions in leader's behavior, structure initiation which includes task oriented leaders and consideration which includes relation oriented leaders. Memon (2014) defines leadership style as a leader's style of providing direction, motivating people and implementing plans. Leadership styles are seen as approaches that leaders use when leading organizations, departments, or groups (Mehmood & Arif, 2011) Leaders who search for the most effective leadership style may find that a combination of styles is effective because no one leadership style is best (Darling & Leffel, 2010).

Based on the above, this study adopts the definition of leadership by Hill (2008). A well-directed employee is a focused employee in terms of expectations and

organizational goals, such individual tends to understand product knowledge, procedures and processes, any time we develop our employees we give them the power and the ability to produce and give their best to the organization hence increased productivity. Leadership style application is determined by leaders themselves. If leadership style applied is good and can give a good direction to subordinates, then it creates confidence and work motivation to employees, thus increasing employee morale which also effects on better employee performance. Leaders must work together with subordinates/ employees to achieve better performance. Sudi (2013) in his research, employee performance is very influenced by leadership style.

2.1.1. Transformational Leadership Style

Transformational leadership style is the follower feels trust, admiration, loyalty and respect towards the leader, and is motivated to do more than what was originally expected to do (Bass, 1985; Katz & Kahn, 1978). The transformational leader motivates by making follower more aware of the importance of task outcomes, inducing them to transcend their own self-interest for the sake of the organization or team and activating their higherorder needs. He encourages followers to think critically and seek new ways to approach their jobs, resulting in intellectual stimulation (Bass et al., 1994). As a result, there is an increase in their level of performance, satisfaction, and commitment to the goals of their organization (Podsakoff et al, 1996). Bass (1990), proposed four behaviours or components of transformational leadership to include charisma, inspirational motivation, intellectual stimulation, and individual consideration.

Idealized influence is characterized by vision and a sense of mission, instilling pride in and among the group, and gaining respect and trust (Humphreys & Einstein, 2003). Charismatic behavior also induces followers to go beyond self-interest for the good of the group, providing reassurance that obstacles will be overcome, and promoting confidence in the achievement and execution influence (Conger and Kanungo, 1998; Howell and Frost, 1989) and followers place an inordinate amount of confidence and trust in charismatic leaders (Howell and Avolio, 1992).

Inspirational motivation is usually a companion of charisma and is concerned with a leader setting higher standards, thus becoming a sign of reference. Bass (1985), points out followers look up to their inspirational leader as one providing emotional

appeal to increase awareness and understanding of mutually desirable goals. This is characterized by the communication of high expectations, using symbols to focus efforts, and expressing important purpose in simple ways. The leader always behaves talking optimistically about the future, articulating a compelling vision for the future and providing an exciting image of organizational change (Bass and Avolio, 1994). The motivation occurs by providing meaning and challenge to the followers' work; individual and team spirit are aroused and enthusiasm and optimism are displayed. The leader encourages followers to envision attractive future states, for the organization and themselves (Bass et al, 1997).

Intellectual stimulation provides followers with challenging new ideas and encourages them to break away from the old ways of thinking (Bass, 1985). The leader is characterized as one promoting intelligence, rationality, logical thinking, and careful problem solving. The attributes include seeking differing perspectives when solving problems, suggesting new ways of examining how to complete assignments and encouraging re-thinking of ideas that have not been questioned in the past (Bass and Avolio, 1994). The leader encourages the followers to be innovative and creative by questioning assumptions, reframing problems, and approaching old situations in new ways.

Finally, the fourth dimension of transformational leadership is "individual consideration" which is concerned with developing followers by coaching and mentoring (Bass, 1985; Bass & Avolio, 1990). The leader pays close attention to the inter-individual differences among the followers and act as mentor to the follower. He teaches and helps others develop their strengths, and listens attentively to others' concerns (Bass and Avolio, 1994). Followers are treated individually in order to raise their levels of maturity and to enhance effective ways of addressing their goals and challenges (Bass, 1985).

2.1.2. Transactional Leadership

Transactional leadership involves an exchange process that results in follower compliance with leader request but not likely to generate enthusiasm and commitment to task objective. The leader focuses on having internal actors perform the tasks required for the organization to reach its desired goals (Boehnke et al, 2003). The objective of the transactional leader is to ensure that the path to goal attainment is clearly understood by the internal actors, to remove potential barrier within the

system, and to motivate the actors to achieve the predetermined goals (House and Aditya, 1997).

Transactional leaders display both constructive and corrective behaviors. Constructive behavior entails contingent reward, and corrective dimension imbibes management by exception. Contingent reward involves the clarification of the work required to obtain rewards and the use of incentives and contingent reward to exert influence. It considers follower expectations and offers recognition when goals are achieved. The clarification of goals and objectives and providing of recognition once goals are achieved should result in individuals and groups achieving expected levels of performance (Bass, 1985). Active management by exception refers to the leader setting the standards for compliance as well as for what constitutes ineffective performance, and may include punishing followers for non-compliance with those standards. This style of leadership implies close monitoring for deviances, mistakes, and errors and then taking corrective action as quickly as possible when they occur.

2.1.3. Laissez-Faire Leadership Style

Laissez-faire leadership, also known as delegate leadership, is a type of leadership style in which leaders are hands-off and allow group members to make the decisions. Researchers have found that this is generally the leadership style that leads to the lowest productivity among group members. However, it is important to realize that this leadership style can have both benefits and possible pitfalls. There are also certain settings and situations where a laissez-faire leadership style might be the most appropriate. Laissez-faire leadership is characterized by very little guidance from leaders, complete freedom for followers to make decisions, leaders provide the tools and resources needed, group members are expected to solve problems on their own and power is handed over to followers, yet leaders still take responsibility for the groups decisions and actions.

There have been a number of well-known political and business leaders throughout history who have exhibited characteristics of a laissez-faire leadership style. Steve Jobs was known for giving instructions about what he would like to see to his team but then leaving them to their own devices to figure out how to fulfill his wishes. Former U.S. President Herbert Hoover was famous for taking a more laissez-faire approach to governing, often by allowing more experienced advisors to take on tasks where he lacked knowledge and expertise.

2.2 Employee Performance

The main goal of any organization is to enhance the job performance of its employees so that it could survive in this highly competitive environment. Performance is a multidimensional construct and an extremely vital criterion that determines organizational successes or failures. Prasetya and Kato (2011) define performance as the attained outcomes of actions with skills of employees who perform in some situation. According to Pattanayak (2005), the performance of an employee is his/her resultant behavior on a task which can be observed and evaluated. To Pattanayak, employee performance is the contribution made by an individual in the accomplishment of organizational goals.

Here employee performance is simply the result of patterns of action carried out to satisfy an objective according to some standards. This means employee performance is a behavior which consists of directly observable actions of an employee, and also mental actions or products such as answers or decisions, which result in organizational outcomes in the form of attainment of goals. Ibrahim (2004) defined job performance as an important activity that provides both the goals and methods to achieve the organizational goals and also provide the achievement level in term of out-put. El-Saghier (2002) considered it as an effort of an employee to achieve some specific goal, the researcher will adopt this definition.

2.2.1. Transformational Leadership Style and Employee Performance

Transformational leadership style focuses on developing the followers and considering their needs. The managers that focus on transformational leadership focus particularly on developing the overall value system of the employees, development of moralities, skills and their motivation level. The transformational leadership acts as a strong bridge between the followers and leaders, to develop clear understanding associated with the motivational level, values and interests. Bass and Avolio (1994) stated that transformational leadership demonstrates the superior leadership performance. The transformational leadership, according to Bass and Avolio (1994), occurs when the leaders broaden or elevate the interest of the employees. The transformational leaders are the ones who encourage the employees to look beyond their self-interest. The transformational leaders are effective because of several reasons such as the leaders may be charismatic in terms of inspiring the employees, the transformational leaders may meet the emotional need of the

employees or they may stimulate the employees intellectually (Bass&Avolio, 1994). Wang et al (2011) found out that the transformational leadership and individual -level follower performance is positively linked. Further, the study also indicated that transformational leadership and performance of teams at organizational level are associated positively. Xu and Wang (2010) stated that performance is the function of skills, abilities, knowledge and motivation which is directed towards a prescribed behavior. The study conducted by the above mentioned authors indicated that transformational leadership enhances the overall development of the followers. The followers of transformational leadership associate with a self-defining and satisfying relationship with an individual or group. The idealized and behavioral charisma of the transformational leaders motivates the followers to identify with the leader (Jyoti & Bhau, 2015). The personalized relationship developed by a transformational leader develops an environment in which the employees feel happy and hence, their overall performance is improved. Hence, it can be said that transformational leadership and organizational performance are positively associated (Jyoti & Bhau, 2015). Sofi and Devanadhen (2015) stated that the transformational leadership has a significant impact on the performance of the organization. They conducted the research on the banking organizations with the help of statistical tools such as SEM and SPSS and reached to the above conclusion that transformational leadership has a direct positive impact on the organization's performance.

2.2.2. Transactional Leadership Style and Employee Performance

A leader is known as a transactional leader if he/she is always willing to give something in return (Uchenwamgbe, 2013). This can include a number of things like promotion, pay raise, performance reviews, new responsibilities etc. The major problem with this type of leadership is the expectation. Hence, transactional leadership can be defined as the exchange of targets and rewards between the management and the employees (Ojokuku, et al., 2012). The study by Longe (2014) revealed that transactional leadership style has a positive impact on the organizational performance. The transactional leadership style helps in creating as well as sustaining the context in which organizational and human capabilities are maximized as the employees are always able to achieve the tangible and intangible rewards. This leadership style particularly helps in creating an environment that is optimal for

performance and also articulates the compelling vision that enhances the overall organizational performance (Longe, 2014). According to the research conducted by Sofi and Devanadhen (2015), transactional leadership was not found to have a direct impact on the performance of the organization. This leadership style does not encourage creativity and innovation among the employees and hence, the employees do not perform as per the expectations of the organization.

2.2.3. Laissez-faire Leadership Style and Employee Performance

Like other leadership styles, the delegate approach has both a number of benefits and shortcomings. Sometimes this style can be effective, particularly if it is used appropriately in the right settings and with groups that respond well. Laissez-faire leadership can be effective in situations where group members are highly skilled, motivated, and capable of working on their own. Since these group members are experts and have the knowledge and skills to work independently, they are capable of accomplishing tasks with very little guidance. The delegate style can be particularly effective in situations where group members are actually more knowledgeable than the group's leader. Because team members are the experts in a particular area, the laissez-faire style allows them to demonstrate their deep knowledge and skill surrounding that particular subject. This autonomy can be freeing to some group members and help them feel more satisfied with their work. The laissez-faire style can be used in situations where followers have a high-level of passion and intrinsic motivation for their work. While the conventional term for this style is 'laissez-faire' and implies a completely hands-off approach, many leaders still remain open and available to group members for consultation and feedback. They might provide direction at the beginning of a project, but then allow group members to do their jobs with little oversight. This approach to leadership requires a great deal of trust. Leaders need to feel confident that the members of their group possess the skills, knowledge, and follow through to complete a project without being micromanaged.

2.3 Previous Study on leadership and employee performance

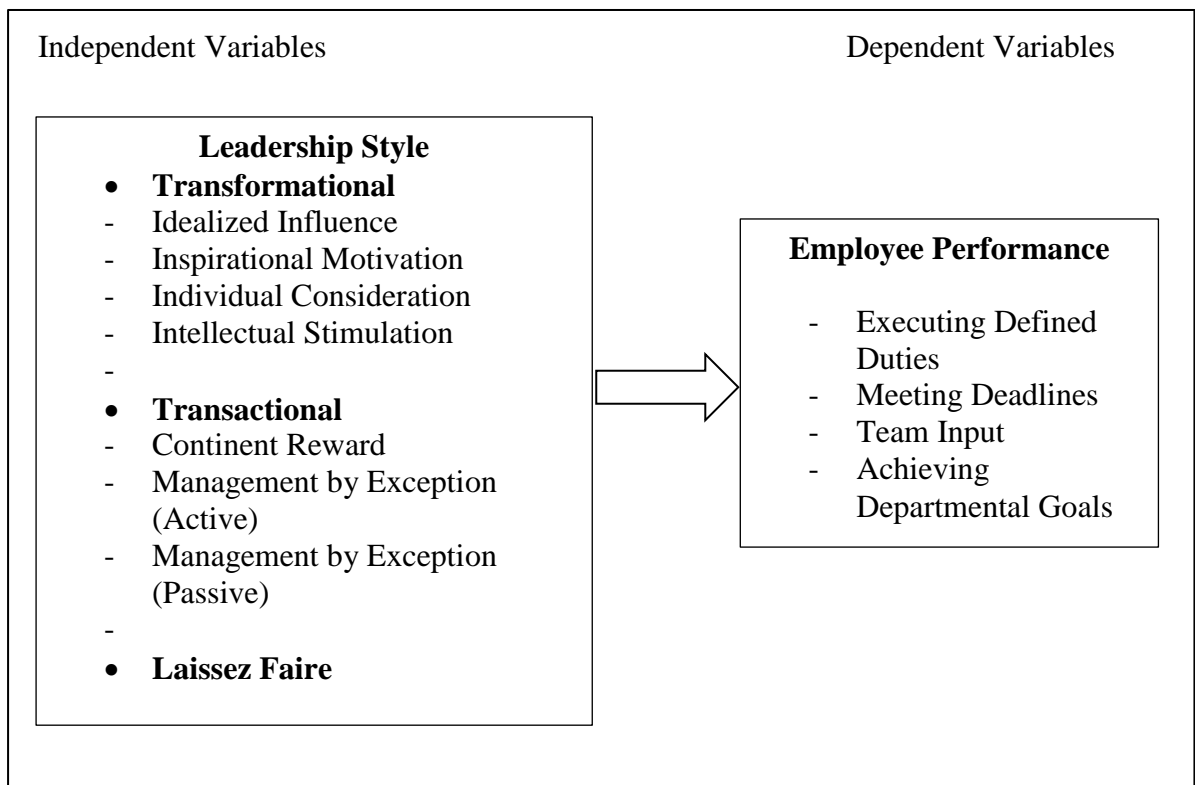
The literature on leadership and employee performance is scattered across the countries and industry which differed the effect of leadership style on employee performance and the leadership style of both transformational and transactional are

significantly positively related to employee performance (Rasool, et al, 2015). The evidence on the relationship between laissez-faire and performance is not straight forward and some follower argued negative relationship (Aboushaqah et al, 2015). The evidence of leadership style is consistent and evidence on the effect of leadership style on employee performance explained the significant number of performance outcomes both individual and organizational level.

2.4 Conceptual Framework of the study

The importance of leadership style cannot be overstated as different scholars which given various definitions due to the complexity and importance. Leadership has been viewed as the transaction between leader and subordinates. It had also been defined as a process of influencing people towards a particular objective of goal. Whichever leadership style is exhibited by parson is a combination of traits, characteristics, skills and behaviors. The situation is matters and call with different style.

Figure (2.1) Conceptual Framework of the study



Source: Own Compilation

The conceptual framework that forms the basis of this study is shown in figure (2.1). In this study, it depicts relationship between leadership style and employee performance. The independent variables were the dimensions of transformational, transactional leadership styles and Laissez-Faire leadership style, where these style are instrumental in according appropriate leadership tools to the supervisors and managers in the execution of duties and responsibilities of GTB. Employee performance is the main factor in competitive business environment which is influenced by the number of factors that include the leadership style.

CHAPTER (3)

BACKGROUND HISTORY OF GLOBAL TREASURE BANK

This chapter describe the past history of Global Treasure Bank, its mission and vision, services, organization structure and leadership style of Global Treasure Bank.

3.1 Profile of Global Treasure Bank Public Company Limited

Under the name of Myanmar Livestock and Fisheries Development Bank. Its name was changed to "Global Treasure Bank Public Company Limited" on 1 July 2013 and providing banking and financial business to the customers continually. Global Treasure Bank has almost 23 years of experience in offering Global Treasure Bank Public Company Limited was founded on 15 February 1996 banking services. As long as the Bank's experience in services, bank's development is also accelerated and moving forward in parallel with other private banks as well. As at 1 January 1999 the bank had a total of 4 branches including Head Office only. Since then, we have opened many bank branches throughout the country.

Nowadays, the branches network has a total of 169 branches. Among the private bank GTB is fourth in term of bank branches network in Myanmar. As the more and more gaining public's trust and reliance on Global Treasure Bank, public 'cash deposits also increased continually. In line with Financial Institutions Law, Board of Directors of the bank formed five committees namely Risk Management Committee, Audit Committee, Remuneration Committee, Credit Committee and Liability & Assets Committee. Credit Committee is providing loan to entrepreneurs with systematic screening. Due to the accelerated momentum of the bank's financial business and achievements, GTB was ranked the top six tax payers among 1,000 tax paying companies, and in second position among all private banks in the country in 2014-15 income year. In 2015-2016 income year, GTB was ranked top six tax payer and in third position among all Myanmar Banks. In 2016-2017 income year, GTB was ranked eleventh tax payer among 1,000 tax paying companies and in third position among all banks accordingly.

With the permission of the Central Bank of Myanmar (CBM), Global Treasure Bank has been- established correspondent banking relationships with UOB (United Overseas Bank of Singapore), FGB (First Gulf Bank of Singapore), OCBC (Oversea Chinese Banking Corporation Limited of Singapore), UBI(United Bank of India),

Vietin Bank of Germany, Krung Thai Bank of Thailand, BIDV Bank (Yangon), Shinhan Bank Korea, Kasikorn Bank of Thailand and ICBC (Yangon Branch) which are Myanmar's major trading partners, to serve the needs of our customers in international banking and trade finance services. GTB in cooperation with Western Union Company of USA has been offering international money transfer services successfully with over 200 countries. In order to banking services modernization and development, financial cooperation is being carrying out with overseas banks from Japan, China, Thailand, Malaysia and India regarded as first priority for cooperation and other international banks are under discussion and negotiation for further cooperation.

With regard to technical cooperation with Infosys, Core Banking System will be go live in November 2018. GTB is pursuing continuous effort in order to provide modern banking service same as other financial institutions. So GTB in cooperation with China based Union Pay International (UPI GTB is going to issues International Credit Cards (GTB-UPI Credit Card) customers can used in local and over 160 countries as well. In order to issue such Credit Card GTB hired Card Management System (CMS) of China Union Pay Data Services(CUP-Data) Company as a prerequisite from outsourcing. Now, inserting necessary parameters, testing of off-line and online program are successfully implemented and then Core Banking System Will Go-Live in November 2018. As a public company, GTB plans to be listed on Yangon Stock Exchange. GTB objective is to reward our shareholders with capital gain rather than mere dividend payout over the long term.

GTB is active participation in Corporate Social Responsibility for the benefit of social societies in 2015-2016 financial year Global Treasure Bank Donated Kyats 1,011 lakh, in 2016-2017 financial year donated Kyats 364 laldtand in 2017-2018 financial year Global Treasure Bank donated over Kyats 1,038 lakh in Corporate Social Responsibility Program for the wellbeing of Social Societies in the field of health care, natural disasters rehabilitation, community development etc. So far, a total of Kyats 2,413lakh donated for CSR activities. Even though Global Treasure Bank is pursuing to provide financial assistance to the public and continuous arrangement and implementation are being done continually for the profit of our shareholders. As we pursue, banking technology development and monetization, and financial business development in line with our motto "Your Dream, Your Success, Global Treasure Bank. Global Treasure Bank continue to be one of the leading banks

in domestic and international banking services in the Republic of the Union of Myanmar.

3.2 Objectives, Mission and Vision of the Global Treasure Bank

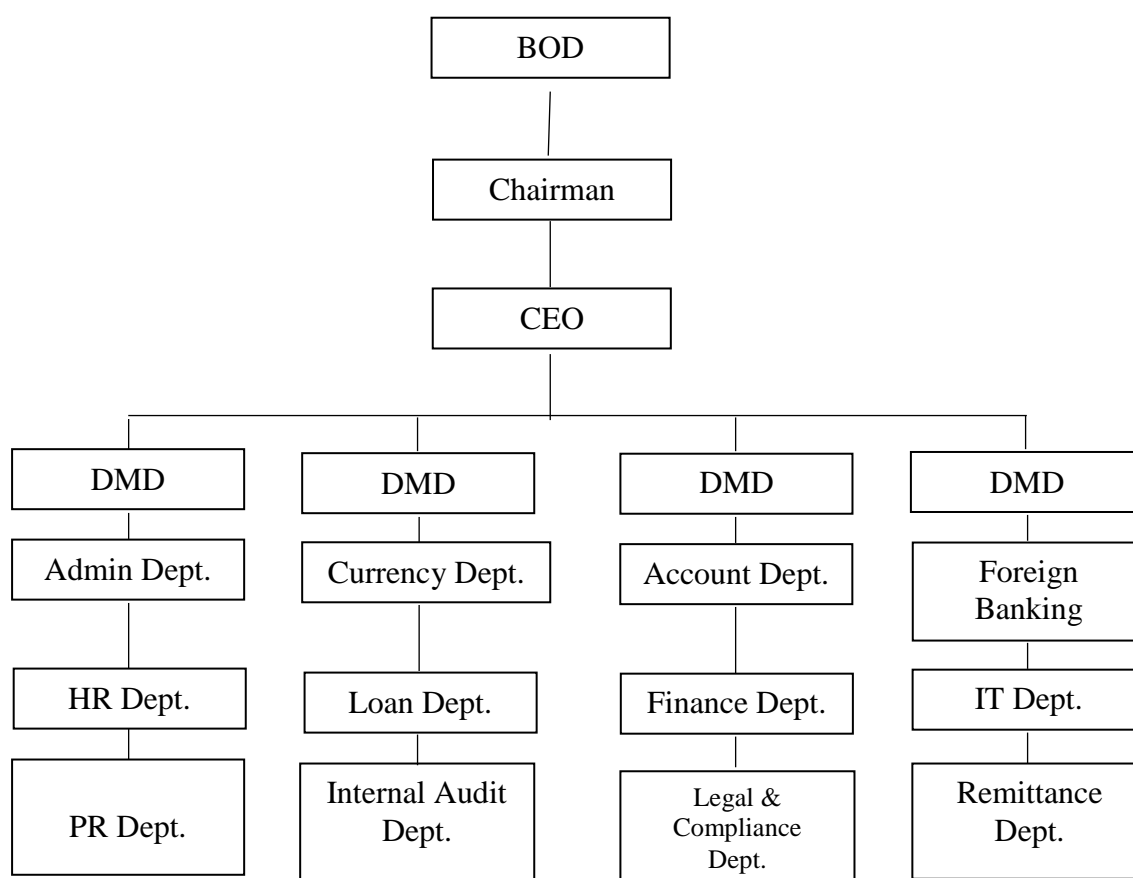
GTB has clearly defined its corporate objectives which are to be executed and understood by the organization to achieve its, Mission, Vision and corporate values. Motto of the GTB is “Your Dream, Your Success, Global Treasure Bank”. The main objective of the Global Treasure Bank is to provide financial assistance to entrepreneurs for development of all business sectors. Corporate objective of GTB are to providing fast, reliable and excellent banking services to local people ,to facilitate trade and help individuals and business develop financially by giving loans, to update the commercial bank’s functions (primary function, secondary function, general utility function) effectively efficiently to expand into online banking to allow customer gain access or faster and more secure financial transaction, and to establish as a development bank while achieving progress in the area of commercial banking.

As one for the leading bank in Myanmar GTB is dedicated to provide efficient banking services and to ensure a trustworthy, reliable and successful relationship with all stakeholders. Global Treasure Bank is committed to generating value for their customers. They aim to deliver superior products and services to our valued customers. Their success will enhance shareholders value. Vision of GTB is to be the one of the leading banking services provider in Myanmar, partnering with their customer for long term growth by providing superior services and enhanced financial products.

3.3 The Organization Structure of GTB

Global Treasure Bank has proper organization structure which is started below. The Board of Directors sits on the very top of the organization chart which directly goes down to Chief Executive Officer. CEO is supported by (4) Deputy Managing Director in second tier who are in-charge of different departments. At the Head office, there are (12) departments.

Figure (3.1) Organization Structure of GTB



Source: GTB Bank Head Office

3.4 Products and Services of Global Treasure Bank

Global Treasure Bank provides a full range of retail and corporate banking facilities for its customers. They are Deposit Account, Loans, Overdraft and Hire Purchase, Domestic and International Remittance, Foreign Exchange, Trade Finance, Core Banking System, Internet Banking / Mobile Banking. There are many type of deposit account in Global Treasure Bank. They are Saving Deposit, Current Deposit, Fixed Deposit, Call Deposit, Minor Deposit, Certified Cheque, Payment Order, and Performance Guarantee. For Loan Service, type of loans and collateral are as follows. (a) Loans (b) Overdraft (c) Government Staff Loans (d) Hire Purchase. Loans Interest (13%). Interest will be collected by every 3 months.

Global Treasure Bank can transfer money from not only GTB's branch to branch but also other bank's branches such as MOB Bank, CB Bank, SMIDB Bank, MWD Bank, NSB Bank, CHDB Bank, RDB Bank, AGD Bank, UAB Bank and

YCB Bank. Their Bank transfers the money within a few minutes. International remittance, the customer can easily take the remittance money from the nearest GTB's branches by using "Western Union" which give the service of remittance to over 200 foreign countries. Foreign exchange is one of the function of foreign banking system. The Customers can exchange three foreign currencies such as American Dollar, Euro Dollar and Singapore Dollar. Bank provides Telegraphic Transfer (TT), Letter of credit for trading. In order to modernization and in harmony with international banking standards. GTB assigned KPMG advisory service private limited for the screening of suitable and international standard core banking system. GTB has signed an agreement with Infosys Core Banking Co., Ltd for the establishment of core banking system and the same time DATA center also being established. GTB iBanking is an electronic payment system where customer perform real time banking service through PCs or Laptops with internet access. GTB mBanking is a mobile application provided by GTB that allow customers to conduct banking service remotely using smart phone with internet access.

CHAPTER IV

ANALYSIS ON THE EFFECT OF LEADERSHIP STYLE ON EMPLOYEE PERFORMANCE OF GLOBAL TREASURE BANK

This chapter includes research design, demographic profiling of respondents and analysis of the effect of leadership style on employee performance of Global Treasure Bank.

4.1 Research Design

To implement the objectives of the study, the required data were obtained by using sample survey. Sample of 108 out of total 540 employees who have been working in head office of GTB bank are chosen by simple random sampling method. The required data is collected by using structure questionnaire. There are three section in questionnaire. The first part of the questionnaire is concerned about the demographic data of sampled respondents. The second part of the questionnaire is regarding the employee perception of three type of leadership style such as transformational, transactional, and Laissez-faire leadership style. In this part, transformational leadership style is measured by four dimensions (with twenty-four statement), transactional leadership style is measure by three dimensions (with nineteen statement) and laissez faire leadership style are measured by 6 statement. All statements are measured by Five Point Likert Scale items to examine the research objective formally. The employee performance is measured by last part of the questionnaire. It has only fourteen statement measures by Five Point Likert Scale. After collecting the data from sampled respondents, data analysis of the results of the survey followed. Linear regression analysis was used since the determination of the causality between the dependent variable “employee performance” and the independent variables was accrued. The results of the data analysis provided to examine the effect of employee job performance on leadership style and to point out the suggestion and recommendation.

4.2 Demographic Profile of the Respondents

The main objectives of the study, analyze the effect of leadership style on employee performance in GTB, the required data were obtained by using sample

survey. Sample of 108 out of total 540 employees who have been working in head office of GTB bank are chosen by simple random sampling method. It is 20% of total employee in Head office. This section presents a description of the sample size and characteristics of respondents involved in the collection of data for assessing the effect of leadership style on employee performance of GTB in head office selected of Global Treasure Bank.

4.2.1 Number of Respondents by Gender

The genders of respondents and their contribution are shown in Table (4.1).

Table (4.1) Number of Respondents by Gender

Gender	No. of Respondents	Percentage
Male	47	44
Female	61	56
Total	108	100

Source: Survey Results, 2019

Demographic profile of gender was collected from the 108 employees from GTB Bank Head Office. Table (4.1) showed that most of the employees are females because the nature of the job is suitable for female. 56% of the employees are female and 44% of them are male.

4.2.2 Number of Respondents by Age Distribution

Table (4.2) show the number of respondents and contribution of detail age of group.

Table (4.2) Number of Respondents by Age Distribution

Age	Frequency	Percentage
20 years and under	3	3
21 – 30	60	55
31 – 40	19	18
41 – 50	11	10
Over 50 years	15	14
Total	108	100

Source; Survey Result, 2019

With the demographic factor of age, this study classifies into (5) groups: under 20, between 21-30, 31-40, 41-50 and over 50 years with 3%, 55 %, 18 %, 10% and 14% respectively. So, the majority is age between 21-30 years in GTB.

4.2.3 Number of Respondents by Education

Table (4.3) indicate about different education level of respondents' in GTB.

Table (4.3) Number of Respondents by Education

Education Level	Frequency	Percentage
University Graduate	9	8
Post Graduate	89	83
Master Degree	9	8
Diploma	1	1
Total	108	100

Source; Survey Result, 2019

The findings of the study indicate that 83% of the respondents have reached post graduate level, while each 8% of the respondents have reached master degree level and university graduate level, 1% of the respondents were diploma. The study considered the level of education as an important aspect because it helps in making informed and formation of opinion. These results show that most of employees are post graduate level.

4.2.4 Number of Respondents by Working Experience

In Table (4.4), it presents about different working experience of respondents in GTB.

Table (4 .4) Number of Respondents by Working Experience

Years	Frequency	Percentage
1 – 3	41	38
4 – 6	20	19
7 – 9	13	12
10 – 12	10	9
12 year and above	24	22
Total	108	100

Source; Survey Result, 2019

To study the service of staffs, it can be classified into five groups: between 1-3 years, between 4-6 years, between 7-9 years, between 10-12 years, 12 years and above. Here it is found that only 41 employees have services between 1-3 years. 20 employees have service between 4 and 6 years, 13 employees have service between 7 and 9 years, 10 employees have service between 10 and 12 years, while 24 employees have service above 12 years. In the percentage term, 38% of employees have service between 1 and 3 years according to Table (4.4).

4.3 Level of Employees' Perception on Leadership Practices of GTB

The descriptive statistics was used as a way to examine the mean value, standard deviation and other information which are not apparent in the raw data. It is needed to determine employee perception on leadership practices of GTB. Then the relation between independents variables (transformational leadership style, transactional leadership style and lassiez faire leadership style) and the dependent variable (employee performance) will review from the collected data. Then relation between dependent variable and independent variable was examined and predict through linear regression analysis. In this study, the respondents were asked rate of the four item on a five-point Likert scale ranging from 1-strongly disagree, 2-disagree, 3-neutral, 4-agree and 5-strongly agree.

4.3.1 Transformation Leadership Style

Table (4.5) presents the mean and standard deviation from respondents' assessments of whether their immediate supervisors practiced transformational leadership style.

Table (4.5) Transformational Leadership Style

No	Statement	Mean	Std. Dev
1	The leader gives personal attention to all staff like a family member rather than the team members.	3.82	.708
2	The leader goes beyond self-interest for the interest of the bank.	3.71	.749
3	Employees are proud of their leader concerning their work.	3.88	.770
4	The leader emphasizes the importance of having a collective sense of mission.	3.59	.774

5	The leader considers the moral and ethical consequences of decisions.	3.54	.790
6	The leader displays a sense of power and confidence.	3.89	.753
7	The leader spends time teaching and coaching.	3.79	.786
8	The leader considers me as having different needs, ability inspirations from others.	3.68	.721
9	The leader helps me to develop my strengths.	3.63	.744
10	The leader motivates their subordinates to do effectively.	3.65	.765
11	The leader offers attractive visions for the future development.	3.46	.703
12	The leader specifies the importance of having a strong sense of purpose.	3.55	.766
13	The leader spends most of his time in teaching and coaching.	3.80	.794
14	The leader helps employees' encouraging their future carrier.	3.33	.611
15	The leader treats employees as an individual rather than just as member of a group.	3.78	.728
16	The leader suggests new ways of looking at how to complete assignments.	3.68	.759
17	The leader expresses the specific procedures for each task.	3.64	.716
18	The leader counseled individual who have personal problems (family, health, financial)	3.61	.807
19	The leader re-examines critical assumptions to problem whether they are appropriate.	3.54	.742
20	The leader gets me to look at problems from many different angles.	3.62	.693
21	The leader makes innovative suggestions.	3.55	.647
22	The leader gives new ways on how to do employees' job.	3.76	.722
23	The leader establishes relationship with all staff as important	3.69	.755
24	The leader stimulates the staff's enthusiasm for acting their responsibilities.	3.61	.795
Total Average Scores		3.65	

Source: Survey Result, 2019

Most of respondents said that the leader displays a sense of power and confidence had the highest mean of 3.89 and standard deviation of .753. But only a

few respondents said that the leader helps employees encouraging their future carrier. Total average scores of transformational leadership style was 3.65.

4.3.2 Transactional Leadership Style

Table (4.6) presents the mean and standard deviation from respondents' assessments of whether their immediate supervisors practiced transactional leadership style.

Table (4.6) Transactional Leadership Style

No	Statement	Mean	Std. Dev
1	The leader ways that the staffs' how their getting reward for more effort in the work place.	3.36	.755
2	The leader discusses in specific term who is responsible for achieving performance targets.	3.24	.830
3	The leader appreciate when subordinate meet expectation	3.56	.812
4	The leader supports all staff to achieve their target.	3.44	.702
5	The leader formulates clearly the reward for the employees' effort.	3.28	.852
6	The leader communicate that the benefits offered by this bank are based on the employees' performance.	3.12	.904
7	Notice the staffs who make mistakes about with their tasks.	3.44	.789
8	The leader focuses the attention on irregularities, mistakes, exceptions and deviations from standards.	2.69	1.056
9	The leader demonstrated that problems must become chronic before taking action.(Money fraud case)	3.62	.862
10	The leader keeps track of all mistakes	3.75	.643
11	The leader directs my attentions to meet standards.	3.73	.781
12	The leader will recognize when we meet agreed-upon standards.	3.69	.732
13	The leader concentrates his full attention to be solving complaints and failures.	3.78	.740
14	The leader discusses in specific terms who is responsible for achieving performance targets.	3.54	.716
15	The leader fails to intervene until problems become serious.	3.17	.837
16	The leader avoids getting involved when important issue arise.	2.28	1.075
17	The leader participates to prevent mistakes again.	3.71	1.276
18	The leader delay responding to urgent questions.	2.35	.979
19	The leader does not consider before arise the problem happenings.	2.40	1.023
Total Average Scores		3.27	

Source: Survey Result, 2019

Most of respondents said that the leader concentrates his full attention to be solving complaints and failures. This statement had the highest mean of 3.78 and standard deviation of .740. Only a few of them said that the leader avoids getting involved when important issue arise. Total average scores of transformational leadership style was 3.27.

4.3.3. Laissez Faire Leadership Style

Table (4.7) presents the mean and standard deviation from respondents' assessments of Laissez Faire leadership style.

Table (4.7) Laissez Faire Leadership Style

No	Statement	Mean	Std. Dev
1	In complex situations, leaders let subordinates work problems out on their own idea.	2.82	.783
2	Leader give subordinates completely freedom to solve problems on their own way.	2.78	.801
3	The leader does not consider for the subordinate task to be performed.	2.86	.826
4	As a rule, leaders allow subordinates to appraise their own work.	2.95	.869
5	In most situations, the leader prefers little effort to the subordinate work.	2.61	1.058
Total Average Scores		2.80	

Source: Survey Result, 2019

That statement show that as a rule, leaders allow subordinates to appraise their own work had the highest mean of 2.95 and standard deviation of .869 while the question with the lowest mean of 2.61 and standard deviation on 1.058 was said that in most situations, the leader prefers little effort to the subordinate work. Total average scores of Laissez Faire Leadership style was 2.80.

4.4 Analysis on Leadership Style of Global Treasure Bank

Table (4.8) Leadership Style

No	Leadership Style	Overall Mean
1	Transformational Leadership Style	3.65
2	Transactional Leadership Style	3.27
3	Laissez Faire Leadership Style	2.80

Source; Survey Result, 2019

The results of the analysis of leadership styles, it can be concluded that transformational leadership style is the most exhibited leadership style by immediate supervisors at GTB followed by the transactional leadership style. However, laissez-faire leadership style is the least exhibited style.

4.5 Analysis of Employee Performance on Global Treasure Bank

The aim of presenting this kind of data to record how employees rated themselves of employee performance, given the different aspect of performance presented to them if the instrument. The scale used in the statement was 1-strongly disagree, 2-disagree, 3-neutral, 4-agree, and 5-strongly agree. The descriptive statistics of the findings are represented in Table (4.9) show that he/she always complete the duties specified in his/her job description was highly rated with mean of 3.93 and standard deviation of .651 while his/her performance was accessed daily by his/her supervisor had the mean of 3.48 and standard deviation of .717.

Table (4.9) Employee Performance

No	Statement	Mean	Std. Dev
1	I always report at work in time.	3.89	.585
2	It is necessary to come early.	3.87	.698
3	I am motivate to work.	3.81	.520
4	My colleagues encourage me to perform.	3.81	.566
5	There is team work in my department.	3.90	.760
6	My leader is a team player.	3.79	.832
7	I am given the needed support my supervisor to meet my duties.	3.69	.651
8	My performance is accessed daily by my supervisor.	3.48	.717
9	My skill and abilities are fully utilized.	3.78	.616
10	I always complete the duties specified in my job description.	3.93	.651
11	I meet all the formal performance requirement of the job.	3.87	.597
12	I fulfill all responsibilities required by my job.	3.90	.563
13	I never neglect aspects of the job that is obligated to perform.	3.90	.563
14	I am often able to perform essential duties.	3.92	.628
Total Average Scores		3.82	

Source: Survey Result, 2019

4.6 Assessment of the Reliability of the Scale

In this study, almost variable are measured by Likert. Therefore, before these variable is used, it should be checked their reliability of each dimension. Cronbach's alpha is a measure used to assess the reliability, or internal consistency, of a set of scale or test items. In other words, the reliability of any given measurement refers to the extent to which it is a consistent measure of a concept, and Cronbach's alpha is one way of measuring the strength of that consistency. Cronbach's alpha is computed by correlating the score for each scale item with the total score for each observation

(usually individual survey respondents or test takers), and then comparing that to the variance for all individual item scores:

$$\alpha = \frac{k}{k-1} \left(1 - \frac{\sum_{i=1}^k \sigma_{yi}^2}{\sigma_x^2} \right)$$

Where: k refers to the number of scale items

σ_{yi}^2 Refers to the variance associated with item i

σ_x^2 Refers to the variance associated with the observed total scores

The resulting α coefficient of reliability ranges from 0 to 1 in providing this overall assessment of a measure's reliability. If all of the scale items are entirely independent from one another, then $\alpha = 0$; and, if all of the items have high covariance, then α will approach 1 as the number of items in the scale approaches infinity. In other words, the higher the α coefficient, the more the items have shared covariance and probably measure the same underlying concept. Although the standards for what makes a "good" α coefficient are entirely arbitrary and depend on your theoretical knowledge of the scale in question, many methodologists recommend a minimum α coefficient between 0.65 and 0.8 (or higher in many cases); α coefficients that are less than 0.5 are usually unacceptable, especially for scales purporting to be unidimensional. (Chelsea Goforth, 2015). The results of the Cronbach's alpha value above 0.7, suggesting very good internal consistency and reliability for the scale with this sample. In the above Table, it can be seen that Cronbach's alpha for all scale dimension are range between 0.741 to 0.854, which indicates an acceptable level of internal consistency for studies scale with this specific sample.

4.7 Effect of Leadership Style on Employee Performance of Global Treasure Bank

In order to examine the effect of leadership style on employee performance of GTB, multiple regression was performed. A multiple linear regression will be conducted to assess if the independent variables predict the dependent variable (criterion). A multiple linear regression assesses the relationship among a set of dichotomous, or ordinal, or interval/ratio predictor variables (independent variables) on an interval/ratio criterion variable (dependent variable). In this instance, the independent variables include transformational, transactional, and Laissez Faire and the dependent variable is employee performance including executing defined duties,

meeting deadlines, team input and achieving departmental goals. The following regression equation (main effects model) will be used: $y = b_1*x_1 + b_2*x_2 + b_3*x_3 + c$; where Y = estimated dependent variable, c = constant (which includes the error term), b = regression coefficients and x = each independent variable. In this analysis, standard multiple linear regression such that the enter method is used. For this purpose, the multiple regression analysis is conducted and the results are reported in following Table.

Table (4.10) Effect of Leadership Style on Employee Performance of GTB

Type of Leadership	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	2.174	.355		6.123	.000
Transformational	.662	.083	.680	8.005	.000
Transaction	.197	.092	.183	2.156	.033
Laissez Faire	-.051	.046	-.085	-1.111	.269
N=108, Adj R ² = .391, F = 23.937 (p-value = 0.000)					
p value < 0.01 or 0.05 >> 1% sig or 5% sig					

Source: SPSS Output

F-ratio measures whether the model as a whole has statistically significant the employee performance by 1% level of significant. The null hypothesis, which tests that the model has no predictive employee performance, is rejected when the F-ratio is large (Dallal, 2000). As $p < 0.001$ the null hypothesis can be rejected. Therefore, it can be concluded that the model has considerable that four type of leadership style were explained by employee performance.

The R square is an important measure which indicates how much of the variance in the dependent variable is accounted for by the different predictors in the model. The adjusted R square indicates how well the model can be generalized in a population (Fields, 2009). The R square in the data analysis is 0.391, which means that 39.1% of the variance in employee performance is explained by the combination of three type of leadership style.

As the result of the Table (4.10), three leadership style in the model namely transformational and transactional are significant while the Laissez Faire is not significant. The magnitude of each coefficient indicates the amount how much the score of the dependent variable will change if the score of an independent variable increases by 1 unit while other things remain unchanged. That is, if the score of transformational leadership style increases by 1 unit, while other thing remains unchanged, level of employee performance will increase by .662 units. If the score of transactional leadership style increases by 1 unit, while other thing remains unchanged, level of employee performance will decrease by .197 units.

The standardized beta-value indicates which independent variable accounts for the strongest, unique contribution to explaining the dependent variable, when the variance explained by the other independent variables in the model is controlled for (Pallant, 2005). In term of the magnitude of standardized coefficient, transformational leadership style (beta = 0.662) is relatively the most important in explaining the employee performance.

CHAPTER V

CONCLUSIONS

This chapter was presented in section that include with findings, suggestions, and the last part was the need for further study.

5.1 Findings

This study has evaluated the effect of leadership styles (transformational, transactional, and laissez-faire leadership style on employee performance in Global Treasure Bank. Sample of 108 out of total 540 employees who have been working in head office of GTB bank are chosen by simple random sampling method. It is 20% of total employee in Head office. This section presents a description of the sample size and characteristics of respondents involved in the collection of data for assessing the effect of leadership style on employee performance of GTB in head office selected of Global Treasure Bank. In this part transformational leadership style is measure by four dimensions (with twenty-four statement), transactional leadership style is measure by three dimensions (with nineteen statement) and laissez faire leadership style are measured by 6 statement.

The finding show that transformational leadership style is the most exhibited leadership style by immediate supervisors at GTB followed by the transactional leadership style. However, laissez-faire leadership style is the least exhibited style. Three leadership style in the model namely transformational and transactional are significant while the Laissez Faire is not significant. The magnitude of each coefficient indicates the amount how much the score of the dependent variable will change if the score of an independent variable increases by 1 unit while other things remain unchanged. That is, if the score of transformational leadership style increases by 1 unit, while other thing remains unchanged, level of employee performance will increase by .662 units. If the score of transactional leadership style increases by 1 unit, while other thing remains unchanged, level of employee performance will decrease by .197 units. From the study findings it can be concluded that in that GTB while transformational leaders encourage employee to put extra effort and to go beyond what they (employee) expected before. Transformational leaders achieve the greatest performance from employee since they are able to inspire their employee to rise their capabilities for success and develop employees' innovative problem solving

skills. On the other hand, possible for this is that most of the employee in GTB are usually skilled and experience professionals. Therefore, idealized influence, inspirational motivation, individual consideration and intellectual stimulation are rather than contingent reward, and management by exception and could be appropriate leadership behaviors and strategic to induce them to perform.

5.2 Suggestions

Banks expect employees to perform, supervisors expect their followers to perform too. Given the widely documented ineffective of laissez-faire leadership styles and the results of this study, it so recommended that managers should discard this leadership style so as to improve organizational performance. This calls for greater involvement in guiding employee to achieve organizational goals. The result also indicates Contingent Rewards and Rewards and Management by Exception have a medium positive relation with employee performance. All variables of transformational leadership style have a strong positive relationship with employee performance. The results of this study provided insights into what employees need from their supervisors and the kind of leadership behaviors they prefer. This information could be used to help develop strategies and meet organizational needs through leadership behavior development. According to the results, some strategies for improving supervisor's leadership and employee performance could be suggested. It indicated that transformational leadership behavior would lead to higher employee performance. The leaders or supervisors should be aware of what is important for the employee and the organizations as a whole and encourage the employees to see the opportunities and challenges around them creatively. The supervisors should also have their own visions and development plans for followers, working in groups and champion team work spirit. The supervisors should have sense of innovation and also encourage followers to seek more opportunities and possibilities, not just achieve performance within expectations. Supervisors should understand the values of the followers and try to build their departmental unit's business strategies, plans, processes and practices that will likely to improve the wellbeing of staff. Respect for individual is also very key in building a positive relationship between leaders and employees. Employees prefer to idealized attributes leadership behaviors from them workloads should be displayed. Therefore, as mentioned before, leaders or

supervisors should be aware of the importance of transformational leadership style and try to put it in practice.

5.3 Need for Further Study

Further studies should be conducted on the effect of leadership style on employee performance of the entire employee with different employment levels of the GTB bank. In addition, in order to find out and effective leadership styles for the firm, it is better to do research based on other theories of leadership in the future. In future research to evaluate the performance of staff in addition to questionnaires, other tools such as (interviews and observations) is used until the evaluation of managers teaching performance with more confidence reached a conclusion. It is suggested that to accurate generalize the results, the studies corresponding these research done in other bank. Given that the present study was not examining the dimensions of transformational leadership style, it is suggested that future researchers should examine each aspect with the staff performance.

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Appendix (1)
Global Treasure Bank Employee Data

Part (A)

The following personal information is necessary for validation of the questionnaire. All responses will be kept confidential. Your cooperation in providing this information will be greatly appreciated.

Demographic Factors of the Respondents

1. Gender

Male Female

2. Age

20 years and under 21-30 years 31-40 years
41-50 years Over 50 years

3. Educational Level

University Graduate Post Graduate Master Degree
Diploma

4. Working Experience

1-3 years 4-6 years 7-9 years
10-12 years 12 years and above

APPENDIX (2)

Questionnaires

Part (B)

Leadership Style

Objective: These questionnaires are only use for the attainment Master of Banking & Finance (MBF) from Yangon University of Economics.

1=Strongly Disagree

2=Disagree

3=Neutral

4=Agree

5=Strongly Agree

Transformational Leadership						
Idealized Influence (II)						
Sr. No	Particular	1	2	3	4	5
1	The leader gives personal attention to all staff like a family member rather than the team members.					
2	The leader goes beyond self-interest for the interest of the bank.					
3	Employees are proud of their leader concerning their work.					
4	The leader emphasizes the importance of having a collective sense of mission.					
5	The leader considers the moral and ethical consequences of decisions.					
6	The leader displays a sense of power and confidence					
Inspirational Motivation(IM)						
Sr. No	Particular	1	2	3	4	5
1	The leader spends time teaching and coaching.					

2	The considers me as having different needs, ability inspirations from others.					
3	The leader helps me to develop my strengths.					
4	The leader motivates their subordinates to do effectively.					
5	The leader offers attractive visions for the future development.					
6	The leader specifies the importance of having a strong sense of purpose.					

Individual Consideration(IC)

Sr. No	Particular	1	2	3	4	5
1	The leader spends most of his time in teaching and coaching					
2	The leader helps employees' encouraging their future carrier.					
3	The leader treats employees as an individual rather than just as member of a group.					
4	The leader suggests new ways of looking at how to complete assignments.					
5	The leader expresses the specific procedures for each task.					
6	The leader counseled individual who have personal problems (family, health, financial)					

Intellectual Stimulation(IS)

Sr. No	Particular	1	2	3	4	5
1	The leader re-examines critical assumptions to problem whether they are appropriate.					
2	The leader gets me to look at problems from many different angles.					
3	The leader makes innovative suggestions.					

4	The leader gives new ways on how to do employees' job.					
5	The leader establishes relationship with all staff as important persons for the organization development.					
6	The leader stimulates the staff's enthusiasm for acting their responsibilities.					

Transactional Leadership						
Contingent Reward(CR)						
Sr. No	Particular	1	2	3	4	5
1	The leader ways that the staffs' how their getting reward for more effort in the work place.					
2	The leader discusses in specific term who is responsible for achieving performance targets.					
3	The leader appreciate when subordinate meet expectation					
4	The leader supports all staff to achieve their target.					
5	The leader formulates clearly the reward for the employees' effort.					
6	The leader communicate that the benefits offered by this bank are based on the employees' performance.					
7	Notice the staffs who make mistakes about with their tasks.					

Management by Exception (Active)(MEA)						
Sr. No	Particular	1	2	3	4	5
1	The leader focuses the attention on irregularities, mistakes, exceptions and deviations from standards.					
2	The leader demonstrated that problems must become chronic before taking action.(Money fraud case)					

3	The leader keeps track of all mistakes.					
4	The leader directs my attentions to meet standards.					
5	The leader will recognize when we meet agreed-upon standards.					
6	The leader concentrates his full attention to be solving complaints and failures.					

Management by Exception (Passive)(MEP)

Sr. No	Particular	1	2	3	4	5
1	The leader discusses in specific terms who is responsible for achieving performance targets.					
2	The leader fails to intervene until problems become serious.					
3	The leader avoids getting involved when important issue arise.					
4	The leader participates to prevent mistakes again.					
5	The leader delay responding to urgent questions.					
6	The leader does not consider before arise the problem happenings.					

Laissez - Faire Leadership Style(LzF)

Sr. No	Particular	1	2	3	4	5
1	In complex situations, leaders let subordinates work problems out on their own idea.					
2	Leader give subordinates completely freedom to solve problems on their own way.					
3	The leader does not consider for the subordinate task to be performed.					
4	As a rule, leaders allow subordinates to appraise their own work.					
5	In most situations, the leader prefers little effort to the subordinate work.					

APPENDIX (3)

Part (c)

Employee Performance

You are requested to rating yourself against each statement to indicate you level of agreement with what the statement is suggesting, where the following ratings are;

1=Strongly Disagree 2=Disagree 3=Neutral 4=Agree 5= Strongly Agree

SR	STATEMENT	1	2	3	4	5
1	I always report at work in time.					
2	It is necessary to come early.					
3	I am motivate to work.					
4	My colleagues encourage me to perform.					
5	There is team work in my department.					
6	My leader is a team player.					
7	I am given the needed support my supervisor to mee duties.					
8	My performance is accessed daily by my supervisor.					
9	My skill and abilities are fully utilized.					
10	I always complete the duties specified in my description.					
11	I meet all the formal performance requirement of the					
12	I fulfill all responsibilities required by my job.					
13	I never neglect aspects of the job that is obligate perform.					
14	I am often able to perform essential duties.					