Leadership Behaviour, Organisational Commitment, Job Satisfaction and Service Quality in Commercial Banks in Uganda: A Case of Kampala District

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Abstract

The purpose of the study was to establish the relationship between leadership behaviour, organizational commitment, job satisfaction and service quality. The study was prompted by reports of increased customer dissatisfaction and complaints thought to be a result of perceived poor service quality in commercial banks.

Results revealed positive and significant relationships between leadership behaviour and service quality, leadership behaviour and organizational commitment, leadership behaviour and job satisfaction, organizational commitment and service quality, job satisfaction and service quality which implies that when one variable is improved it leads to improvement of the other. In addition, leadership behaviour is a better predictor of service quality followed by organizational commitment which implies that to improve on service quality; emphasis should be put on improvement of leadership behaviour followed by organizational commitment.

Introduction

Leadership is widely recognised as a critical factor in the success or failure of an organization (Hasbullah, 2008). Leadership enables an organisation to translate its potential for good performance into productivity (Samuel, 2005). Managers can no longer rely on their hierarchical positions to attain organisational goals. In order to get best result from subordinates, managers need to encourage high morale, a spirit of involvement and co-operation and a willingness to work by adapting desirable leadership behaviour (Asuquo, 2007). The choice of leader behaviour influences the internal environment. Banks being customer-contact businesses, the behaviours and actions of frontline employees during service delivery influence how service quality will be perceived (Malhotra & Mukherjee, 2004). Supportive and participative leader behaviours are key in influencing employee
behaviour and commitment towards quality (Forrester, 2000). The freedom and ability to make decisions and commitments from employees improves on employee-service quality to customers. Leaders need to involve employees in the defining and developing vision statements (Liu, 2006). He further argues that failure of involvement leads to employees being dissatisfied and unwilling to summon the effort needed to provide a higher standard of service quality to customers. This therefore means that commitment and job satisfaction of customer-contact employees is important during service delivery, though banks customers continue to complain about bank services.

Kagenda (2008) noted how Stanbic and Centenary banks managed on the autocratic mode of leadership behaviour have been unresponsive to customer needs, leading to low service quality. For example, Anecdotal findings indicate the hurdles customers experience before their loans and advances can be sanctioned in Stanbic bank resulting from too much. Bureaucracy (Kyokunda, 2006). This led to salaried employees shifting their accounts from Stanbic to Standard chartered bank where the procedures and process of acquiring loans are flexible (Loan portfolio report, 2008). Stanbic bank written complaints also increased from 4.9% to 8% (Kyokunda, 2006). Stanbic bank staff are allocated specific roles which cannot be altered even in cases of special needs without prior authority (Customer Evaluation Report, 2003 & Asiimwe, 2010). This has led to long queues when customers are paying schools fees (Daily Monitor 25th, February, 2010). All these undermine the service quality in such banking institutions.

Oseku (2009) noted that the poor relations between the leaders and subordinates undermine service quality. In Centenary bank for example, the loans department manager failed to communicate to employees the progress on the growth of loan portfolios in bank as agreed on before. This made employees dissatisfied with their jobs leading to the reduction of Loan portfolios from 9% in 2006 to 7% in 2007 as centenary bank dissatisfied employees discouraged customers from taking up loans from the bank accusing it of charging higher interest rates with unflexible repayment terms and instead referred them to competitors whose interested rates were slightly low.

Low commitment amongst staff may lead to low service quality. For example Odeke (2010) adds
that in Barclays bank Lira branch, the employee commitment reduced due to the banks failure to
honour its promise of pay rise and to create a favourable internal climate. This created job
dissatisfaction amongst employees. Employees made errors like crediting other customer’s
accounts which took long to be corrected, lack of concern for customer needs, delays in
approving and processing transactions leading to an increase of customer complaints from
5% in 2008 to 8.8% in 2009 which undermine the quality of service in such banks. Namubiru
(2008) links low commitment with the rise in e-bank fraud as seven bank employees are currently
facing fraud charges amounting to 567.6M. One being from Bank of Africa (sh17m), four Crane
Bank employees (sh50.6m), three cashiers of Capital Finance Limited (sh500m) (New Vision
Friday, 3rd October, 2008).

Institutions need to ensure quality consistence and improved criteria for assessment in
addressing the ever increasing concerns on quality banking practices.

LITERATURE REVIEW
The review of the existing scholarly literature about leadership behaviour, organizational
commitment, job satisfaction and service quality. This review focuses on
supportive, participative and directive which are the constructs of leadership behaviour.
Organizational commitment was denoted by the constructs of affective normative and
continuous. Job satisfaction is seen under extrinsic and intrinsic attributes. Service
quality was reviewed using the constructs of tangibility, reliability, responsiveness,
assurance and empathy.

Leadership behaviour and service quality
Leadership behaviours adopted by managers have been argued to influence the
effectiveness of the service delivery process, resulting in greater levels of service quality
being provided to organizational customers (Zeithaml & Bitner, 1996). Leadership is a
social influence process in which the leader seeks the voluntary participation of
subordinates in an effort to reach organization goals (Omolayo, 2000), a process whereby
one person exerts social influence over other members of the group (Bamigboye, 2000),
a process of influencing the activities of an individual or a group of individuals in an
effort towards goal achievement in given situations (Akanwa, 1997), and a relational
concept involving both the influencing agent and the person being influenced (Eze, 1995).
Effective leadership is the extent to which a leader continually and progressively leading and directing his/her followers to the agreed destination which is defined by the whole group (Omolayo, 2000). Daft (2005) defined leadership as an influence relationship among leaders and followers who intend real changes and outcomes that reflect their shared purposes. Over the course of time, a number of dimensions or facets of leadership behaviour have been developed and applied as researchers continue to discover what contributes to leadership success and failures. The Path-Goal theory suggests a threefold classification of leader behaviours, as described below.

Directive leadership (initiating structure; task-oriented) tells subordinates exactly what they are supposed to do. This leadership behaviour is similar to the initiating structure or task-oriented leadership styles. According to House, Robert, Terence & Mitchell (1991); Lunenburg, Fred, & Allen, (2000) and Rollinson, Derek, Ayşen & Broadfield (2002), directive leadership behavior’s structure has the characteristics such as close control over employees, inspecting employee performances, telling them what to do and describing them their roles, standardizing their behavior, not trusting them, not participating them into decision making process, and dominating them. Supportive leadership (consideration; people-oriented) shows concern for subordinates” wellbeing and personal needs, and is similar to the consideration or people-oriented leadership styles.

Participative leadership is defined as leadership that involves employees across levels of the hierarchy in decision-making. Participative leaders involve their subordinates in making and implementing decisions (House, Hanges, Javidan, Dorfman, & Gupta, 2004). They seek subordinates’ input on important decisions and value others’ points of view. Participative leaders also tend to be more tolerant of differences because they know that those differences can improve decision-making. Participative leadership consults with subordinates about decisions. However, there is no one best leadership behaviour. The effectiveness of a particular behaviour is dependent on the organizational situation (Omolayo, 2004; Rad & Yarmohammadian, 2006).

Service quality represents a customer’s assessment of the overall level of service offered by an organisation (Carman, 1990; Koelemeijer, 1993), and this assessment is often based upon perceptions of service encounters. The term service encounter is used to denote person to person interactions between a customer and an employee of an organisation during the purchase of a service (Bittner, 1990; Bittner, Booms, & Mohr, 1994; Bittner, Booms, & Tetreault, 1990; Fisk, Brown, & Bittner, 1993; King & Garey, 1997; Mattsson, 1994). The quality of these
interactions between customers and employees has been empirically proven to be a source of satisfaction for service customers (Bitner, Booms, & Tetreault, 1990; Johnston, 1995). Thus, knowing how to improve the quality of these interactions requires leaders adapting appropriate leadership behaviour.

Managers’ leadership behaviors impose great influence on the working attitudes, behaviors and performance of employees. In particular, supportive leadership can give rise to employees' reaction, generating significant and positive relationship with employees' working behavior and attitudes (Yukl, 1999; Judge & Piccoloilies, 2004). Supportive leadership involves support to relationship and jobs. When managers emphasize and support the demand of employees, and keep good relationship with them, the psychological contract will be established between employees and bank (or managers), which is positively related to employees’ attitudes and further engenders positive influence on employees” behaviors (Henkel et al., 2007). The empirical study conducted by Schalk et al. (1998) shows that psychological contract may form series of psychological liability for the employees and managers, and then yield to mutual obligation for each, and finally affect employees” behaviors and attitudes. Based on all these arguments, employees motivated by supportive leadership regard it as the obligation to complete the in-role work, keep long relationship with the organization, and positively participate in the organizational management and decision-making, and perform positive word of mouth marketing in the proper occasions which may result into quality service delivery.

Previous research has linked supportive leadership behaviour to delivery of service quality. Singh (2000) found that frontline employees felt that supervisory support enhanced their performance levels. Brown and Peterson (1993) found that contact employees who believed their manager showed concern for them exert more effort in the workplace. As employees perceive greater support from management, their sense of obligation to reciprocate with greater effort will increase. Consequently, it is sound to assume that supportive leadership behaviour is able to enhance the levels of employee service quality to customers (Slatten, 2009). Yousef (2000) concurs that when supportive leadership behaviour is adopted employees are more committed to their organizations, more satisfied with their jobs, and their performance is high leading to improved service. According to a comprehensive literature review by Yousef (2000), several researchers have also looked into the relationship between leadership behaviour and job performance. Findings were inconsistent as well. A couple of studies in the steel industry and electronic meeting systems reported higher satisfaction and performance levels under
directive leadership style when given a highly structured task, while supportive leadership style is preferred for unstructured problems (Downey et al., 1975; Kahai et al., 1997). Zeithaml and Bitner (1996) as in Farrell (2001) assert that the leadership styles adopted by managers have been argued to influence the effectiveness of the service delivery process, resulting in greater levels of service quality being provided to customers.

Schneider, White, and Paul (1998) found that supportive organizational climate encourages service employees to exert efforts and use their competencies on delivering high service quality, which in turn, yields positive perceptions and experiences of customers. The supportive leadership may not only induce employees” positive emotion, but also indicates managers” recognition and love to employees (Rafferty & Griffin, 2006; Wofford & Liska, 1993). Employees encouraged by relationship supportive leadership will see it as obligation to support the manager”s work, keep long-term relationship with the supervisor, work hard to accomplish the in-role job, positively participate in the managerial decision, provide first- hand information and compliment their supervisors in the interpersonal association (Grandey, 2000). The desire to keep long relationship with the organization indicates that managers” work and leadership behaviors receive employees” recognition and make employees generate the commitment to follow managers, keep long-range relationship with the organization and support the managers” work (Morgan & Hunt, 1994; Burmann & Zeplin, 2005; King & Grace, 2006; Burmann, Zeplin & Riley, 2009). As to employees” service quality building behavior, employees” commitment behaves as keeping long relationship with the bank, working hard to complete the in-role job and trying their best to improve the team”s and firm”s performance. Employees will try hard to do the in-role and extra-role job better, take better advantage of direct access to customers to provide efficient information for the managerial decision, and conduct more positive word of mouth marketing to repay the trust and support of their supervisors. This assertion is supported by some studies that managers’ support to the work is an important approach for employees to improve their performance (Gardner & Schermerhorn, 2004; Luthans et
al., 2008) which leads to improved service quality.

**Leadership Behaviour and Organisational Commitment**

Leaders should understand that the issue of employees” organizational commitment is a crucial element to be addressed to (Tushman & O”Reilly; Nadler, 1997; Limerick, Cunnington & Crowther, 1998). Organizational commitment is influenced by the job environment created by the employee’s supervisor. This organizational environment, together with the employee’s ability and motivation, will largely determine eventual performance (Cummings & Schwabs, 1973). According to Stum (1999), employee commitment reflects the quality of the leadership in the organization. The study by Eisenberger et al. (1986) showed that employees” organizational commitment is strongly influenced by perceived (generalized) organizational support. Employees are more likely to feel an obligation to return the supportive behaviour in terms of affective commitment (Shore & Wayne, 1993).

Further, Mottaz’s (1988) study of 1,385 employees from various occupations found that employees who perceived a friendly and supportive relationship with their co-workers and supervisors had a strong, positive commitment to their respective organizations. Employees who believe their superiors are considerate leaders will be more committed to their organizations than those who do not perceive their managers as such (Johnston, Parasuraman, Futrell, & Black, 1990). Supervisory consideration refers to leader behaviours concerned with promoting the comfort and wellbeing of subordinates (Schriesheim & Stogdill, 1975). Employees may interpret the support provided by their employer as a demonstration of commitment towards them (Eisenberger et al., 1986; Rhoades & Eisenberger, 2002; Shore & Shore, 1995), which in turn tend to enhance their commitment to the organization. Tharenou (1993) showed that support from one’s direct supervisor led to less absence among subordinates. Pelz (1952) presented data suggesting that at least in large groups, employees were more satisfied with superiors who identified closely with higher management and assisted them in goal attainment. Loui (1995) examined the relationship between the broad construct of organizational commitment and the outcome measures of supervisory trust, job involvement, and job satisfaction. In all three areas, Loui (1995) reported positive relationships with organizational commitment. More specifically, perceived trust in the supervisor, an ability to be involved with
the job, and feelings of job satisfaction were major determinants of organizational commitment. Effective leaders are expected to generate higher levels of organizational commitment, as Shamir, House and Arthur (1993) phrased, “Their art is to manufacture ethics to give life through commitment to the spirit of the organization”. In nine studies involving 2,734 persons, Dunham, Grube, and Castaneda (1994) examined how participatory management and supervisory feedback influenced employee levels of affective, continuance, and normative commitment. The researchers found that when supervisors provided feedback about performance and allowed employees to participate in decision-making, employee levels of affective commitment was stronger than both continuance and normative. That is, employees indicated staying with the organization was more related to wanting to, rather than needing to or feeling they ought to.

In another study involving 763 employees, Becker (1992) examined whether employees’ commitment to different constituencies or to the overall organization were better predictors of job satisfaction, intention to quit, and prosocial behaviour. He discovered that employees' commitment to top management, supervisors, and work groups contributed significantly beyond commitment to the organization. According to Yousef (2000), those who perceive their superior as adopting consultative or participative leadership behaviour are more committed to their organization. Mathieu and Zajac (1990) suggested that a supervisor who provides more accurate and timely types of communication enhances the work environment and thereby is likely to increase employees’ commitment to the organization. This view was supported by prior research that showed that organisational commitment was higher for employees whose leaders encouraged participation in decision-making (Rhodes & Steers, 1981), emphasized consideration (Bycio, Hackett & Allen, 1995) and were supportive and concerned for their followers’ development (Allen & Meyer, 1990; 1996). Ito and Brotheridge’s (2005) agree that supervisory support plays an important role in the quality relationship between leaders and followers leads to organisational commitment although their studies focused on the labour turnover intentions.

The supportive leadership can improve the working efficiency and performance of employees and, promote their willingness to keep a long-term relationship with the organization. Moreover, employees will feel more obliged to do their in-role work better and make full use of their consumers’ knowledge to provide information assistance for managerial decision owing to the extra support from the managers. Babin and Boles (1996) indicate that managers’ support to employees’ work such as providing important resources, which is a central factor for
improving employees’ working performance, can stimulate employees’ enthusiasm to complete their work. If managers provide the working resources and build psychological contract between the employees and managers, employees will be more likely to perform anticipated behaviors of managers, accomplish working tasks in the requirements of managers to reciprocate managers' support (Keller & Dansereau, 1995). In the light of social exchange theory, employees tend to repay managers' support through those approaches which are helpful to business development, such as positively participating in the managerial decision and performing positive word of mouth marketing.

Past literatures have also suggested that successful organizations need leadership mechanism that not only envision the goals, but also provides the right service climate, resources and directs employee towards continuous commitment to service quality (Pecci & Rosenthal, 1996, Hartline et al., 2000; Suliman 2001; Natasha & Subroto, 2003; Clark et al., 2008). Supportive and appreciative attitude and supportive behaviour on the part of managers (e.g. complimenting on good work) has been shown to be related to employees’ willingness to provide good service (Schneider & Bowen, 1993). Stressing the value of service excellence is important, through role modeling and verbal stimulation managers can direct employees’ attention to providing friendly and attentive service and to the importance of ensuring that customers are satisfied. Also, according to Pfeffer (1998), providing employees with sufficient and useful information should help their appreciation of what is important for company performance. Another behaviour that may play a role is fairness. Bowen et al. (1999) argue that if management treats employees fairly, then they in turn will be more likely to treat customers fairly. Thus, employees’ perception that managers evaluate their performance in a fair manner may also be related to employees’ commitment to providing good service.

**Leadership Behaviour and Job satisfaction**

There are limited studies on the relationship between leadership behaviour and service quality. Scholars such as Yukl (2002) found out that leaders help to create an environment that influences the behaviors of their followers at work. Similarly the behaviors of leaders in banking institutions create dyadic relationship between them and their followers. This creates an environment of innovativeness that improves service quality in banks. Research findings indicate that providing employees with information and support contributes to quality service in organisations and that if employees are
treated fairly by management, they will be in position to treat service recipients fairly (Den Hartog & Verburg, 2002).

Appelbaum et al. (2004) and Yousef (2000), note that though the relationship between leadership behaviour and job satisfaction received a great deal of attention in past research, however, findings have been mixed (Pool, 1997; Savery, 1994 & Yousef, 2000). Research therefore does not directly link employee satisfaction to a specific leadership style. Instead, many suggest that leadership style needs to adapt to the culture or situation as it attempts to reduce employee dissatisfaction. Liu (2006) recommends that effective managerial practice for service organizations should include involving employees in the defining and developing of a vision statement. He argues that one result of this kind of involvement leads to employees being satisfied and more willing to summon the effort needed to provide a higher standard of service quality to customers.

McNeese-Smith (1996) in his study found that the perception of staff toward the leadership behaviour of their managers was significantly related to their job satisfaction. When leaders are supportive, they create opportunities that lead to staff perceiving their work as meaningful, stimulating and giving a sense of coherence (Antonovsky, 1979). Managers perceived as supportive leaders influence staff job satisfaction in a positive way. Staff working under a manager perceived as supportive rate higher job satisfaction than staff under directive leader. A manager with directive leadership behaviour affects job satisfaction in a negative way. Earlier findings also support the above argument that where poor management practices, including lack of support, feedback and supervision, have been associated with job dissatisfaction (Taunton et al. 1997, Taylor et al. 1999) and intention to leave (Wai Chi Tai et al., 1998). Newman et al. (2002) also found that poor communication was one of the main reasons for dissatisfaction and intention to leave.

Tushman and Nadler (1978) note that verbal (i.e. informal) communication between supervisors and employees is more effective because it facilitates timely exchange of information, feedback and evaluation and, overall, improve employees” perception of communication quality which, eventually leads to increased job satisfaction (Lind & Zmud, 1995). Moreover, Johlke and Duhan (2001) report that bidirectional communication has positive outcomes for front-line personnel and, as Lings (1999) notes, this is an important aspect of work place conditions that affect job satisfaction. Similarly, Nathan et al. (1991)
report that job satisfaction is related to the communication between subordinates and supervisors while Graham et al. (1993), found that employees who communicate with their superiors for pleasure and not just to bide time (escape) report high satisfaction with those superiors. These findings are consistent with those of Infante et al. (1993) and Infante and Gorden (1991) who report that an informal communication climate leads to job satisfaction.

**Organizational Commitment and service Quality**

According to Muthuveloo and Rose (2005), organisational commitment refers to ability of employees to be loyal and identify with the organisation in relation to the duties and responsibilities being held. In organisational commitment, the employees identify themselves with the goals and values of the organisation they work for to enable it achieve increased performance (Herscovitch & Meyer, 2002). They argue that commitment can be in form of affective, normative and continuance. Commitment comes with job related behaviours such as reduced absenteeism and this leads to effective quality service. Affective commitment is related to emotional attachment to the organisation based on positive feelings of job characteristics. This type of commitment is associated with age and organisational tenure (Mottaz, 1988 & Rowden, 2003). Continuance commitment emerges when the employee perceives the costs of leaving being high and decides to remain with the organisation. Normative commitment refers to an employee’s obligation to stay working with the organisation due to clear understanding of organisational values and goals (Meyer & Allen, 1991; Meyer & Allen, 1997).

Commitment to service quality is defined and understood as “conformity to a specification” (Martin 1986; Witt & Steward, 1996; O’Neil & Palmer, 2004) and in achieving “excellence” (Peters & Waterman, 1982). It is also about commitment to meet the customers” needs and their expectations (Witt & Steward, 1996), and about building relationships between a customer and the bank (Kandampully, 2002). Accordingly, the most important basis for the assessment of quality is the individual’s experience of a service that comes from the internal quality service of the internal customer (all the bank’s employees). Their commitment and willingness to serve is in the best interest of the customers, which incidentally is a
prerequisite for achieving service quality (Kandampully, 2002). Clark et al. (2008) defined commitment to service quality as the “dedication of employees to render service quality and the willingness to go beyond what is expected of them”.

Past findings have also established that employees who are committed to the organization will remain loyal and are inversely related to turnover (Hartline et al., 2000; Clark et al., 2009; Elmadag et al., 2008). In such conditions, employees were known to spend more time and energy in assisting the organization realize its goals and they also put their own self-interest aside (Tsai, 2008; Sohail & Shaikh, 2004; Yiing & Ahmad, 2008). They would subscribe to the idea of being a citizen of the organisation and be fully committed to the goals of the organisation (Rashid et al., 2003). They would therefore be fully committed in achieving the organizational goals. Hashim and Mahmood (2011) argue that committed employees put in efforts that go beyond normal expectation in the delivery of high service quality because they feel strongly about improving service quality and personal accomplishments in providing service quality. They further assert that it seems that such employees are not only dedicated in ensuring the continuous improvement of their bank’s service quality but may also have derived personal satisfaction in terms of delivering service quality.

Maigian and Ferrell (1999) perceived higher commitment level to contribute towards increased or higher performance. Joolideh and Yeshodhara (2009) noted that “organisational commitment is critical to retain and attract well-qualified personnel”. This was also reinforced by Malhotra and Mukherjee (2004) that Service quality in banks suffers when employees are unwilling or unable to perform a service at the level required. Bank’s energy entirely depends on the willingness of their employees to support their cause. During the crucial service encounter, it is the willingness of these employees to engage in discretionary effort that determines the level of service quality delivered and the satisfaction of the customer (Zeithaml et al., 1990). Hence, the willingness of employees to accept and support organisational goals and to behave in a manner likely to promote them influences the level of service quality (Boshoff & Tait, 1996). Any organisation’s success will be jeopardised if its employees fail to accept the firm’s missions, goals and objectives (Unzicker et al., 2000) and fail to believe in what the company stands for (Congram & Friedman, 1991).

Long term customer relationships can be built with a long term committed workforce (Boshoff & Allen, 2000), as it is unlikely that an organisation will have loyal customers without loyal employees (Reicheld, 1996). Hence, the organisational commitment of frontline employees has an important role to play in determining the level of service quality delivered to customers.
(Sergeant & Frenkel, 2000). Committed employees dedicate their time, talents and energy compared to non committed employees (Boshoff & Mels, 1995). This implies that committed employees are more likely to be better service quality performers due to their willingness to engage in discretionary effort beyond the normal call of duty (Hasbullah, 2008). The innovativeness of employees requires commitment that contributes to greater flexibility affecting quality (Morris et al, 1990).

**Job satisfaction and service quality**

Job satisfaction has been described as the most important predictor for employees’ intention to remain employed (Shader et al. 2001; Cowin, 2002; Larrabee et al. 2003). Job satisfaction can be considered from a global perspective, such as the feelings and emotions perceived by the individual employee based on work experiences (Price, 2001; Spector, 1997). It can also be explored through a facet approach, studying employee attitudes towards various aspects (facets) of their jobs. Taris and Feij (2001) described two aspects of values, intrinsic and extrinsic where intrinsic values refer to immaterial aspects of the job such as job variety and autonomy and extrinsic values refer to material work aspects such as salary and opportunity for promotion. Job satisfaction decreases when intrinsic work values are not met (Taris & Feij, 2001; Hegney et al. 2006). The main theme of these earlier studies is that job satisfaction is the result of an evaluation of whether ones job meets ones needs; if one feels dissatisfied, searching for and accepting another place to work will likely occur.

Zeithaml and Bitner (2000) argue that “there is concrete evidence that satisfied employees make for satisfied customers”. Research on customer-contact jobs in service sector has established a strong positive relationship between job satisfaction and service quality (Moshavi & Terborg, 2002). In banks, because frontline employees present the “personality of the firm to the customers” (Belt et al., 1999), their dissatisfaction with the job can easily spill over into service interactions, leading to poor perceptions of service quality (Wiley, 1991; Batt & Moynihan, 2002). Employees who are satisfied with their jobs will deliver better service quality than those who are not (Hartline & Ferrell, 1996; Atkins et al., 1996). This is also supported by the works of Motowidlo, (1984) that people who are in a positive frame of mind are more likely to be altruistic, helpful and considerate to
deliver exceptional service that satisfies customer needs. Employee satisfaction and loyalty are seen as critical to
the capability of service organisations to respond effectively to customer needs, whilst also driving down costs through reduced recruitment and training expenditure and all the cost efficiencies which accrue from skilled workers who are up to speed and familiar with both the tasks at hand and their customers (Silvestro, 2002).

Pearce (1992) points out that outputs from the service industries are intangible goods and quality or value of services gained by the consumers are largely determined by the instantaneous performance of the service employees. In banking operations, service quality extended to the customers is determined by satisfied on-site employees. Employee job satisfaction directly impacts the mood and manner in which the service is performed and hence affecting the service quality experienced by the customer. Extensive studies suggest that job satisfaction plays a crucial role in sustaining the performance of service employees in the workplace, hence the service quality provided to customers (Lee et al., 2006; Karl & Peluchette, 2006; Mackenzie et al., 1998; Netemeyer et al., 1997; Rogers et al., 1994; Hoffman & Ingram, 1992). As ascertained by Hoffman and Ingram (1992), if a business wants to satisfy the needs of its customers, it must first satisfy the needs of its employees. Front-line workers’ overall job satisfaction is positively correlated with their customer-oriented behavior.

Although it is the frontline staff who ultimately deliver the service to the customer, they need the full support of those in the ‘backroom’ in order for the service encounter to run smoothly. Boshoff and Allen (2000) note that banks striving to deliver excellent service must ensure that the desired employee behaviours are actively encouraged and appropriately rewarded to motivate employees to provide service excellence and recovery efforts necessary to enhance service quality so as to restore the satisfaction of a disgruntled customers (Berry & Parasuraman, 1991). Appropriately rewarding employees for the delivery of quality service will help to ensure that the vision of service excellence is implemented (Cone, 1998). Dealing with angry customers is a thankless task and employees who perform the task well should be recognised and rewarded. If improved service delivery efforts go unrewarded, they will not be performed effectively and customer satisfaction and retention will suffer as a result (Boshoff & Allen, 2000).

In service-based industries, according to Hoffman and Ingram (1992), job satisfaction is an antecedent of customer-oriented behaviour. This belief is supported both by their research
findings, which revealed a positive relationship between overall job satisfaction and customer-oriented behaviour, and by two compelling arguments. The first of these, based on social exchange theory, suggests that the service provider benefits both extrinsically (financial rewards) and intrinsically (job fulfilment) through satisfying the customer and, secondly, that prosocial behaviour is more likely to occur when the service provider is in a positive mood. Motowidlo (1984) also cites several empirical studies that suggest that people who are in a positive mood are more likely to be altruistic, helpful and considerate. The results are then linked to job satisfaction, suggesting that satisfied workers are more likely to be in a good mood and hence are likely to behave sensitively and considerately toward others. Moreover, Rogers et al. (1994) further points out that for frontline employees who frequently interact with customers, “it is very difficult to provide quality service when employees are unhappy and disgruntled about some aspect of their job”. Generally speaking, satisfied employees create satisfied customers by providing quality service (Karl & Peluchette, 2006). Previous studies have also concluded that unsatisfied employees negatively affect the quality of service they offer which adversely affects customer satisfaction and loyalty to a bank (Atkins, et al, 1996; Al-Mailam, 2005) resulting from improved service quality.

Conclusion

During the process of service delivery the behaviour of employees, is key in influencing customer perception of the service quality they get from the bank. Managers in banks at times influence this behaviour through their leadership behaviour which can have a spillover effect to the customers. When leaders adopt supportive leadership behaviour they tend to create an environment conducive for quality service. For example Supportive leadership behavior’s structure seen as taking care of the employees, supporting their efforts, participating them into decision making process, establishing a positive organization climate, treating equally, considering happiness of the employees ( House et al. 1991; Lunenburg et al., 2000; Rollinson et al., 2002) perfectly explains the situation, because the employees who know that they are appreciated make much more efforts and feel commitment for their banks resulting into better service quality. However when directive leadership behaviour is adopted it excludes employees and limits their autonomy and decisions are made without employee’s opinion therefore employees will be less likely to accept organizational goals or strategies. Based on this reasoning can be stated that, directive leadership behaviour reduce shared customer oriented values commitment to service quality.
METHODOLOGY

A cross-sectional research design which was quantitative in nature was adopted to evaluate leadership behaviour with the objective of establishing whether it has an impact on the service quality. The design was used because data about variables can be obtained at any given period. A correlation approach was used to establish the relationships amongst the variables.

Data sources

Data was collected using primary and secondary sources.

Primary Data

Raw data was collected directly from the respondents (employees and customers) in the selected banks. This was done through administering structured questionnaires with the help of a research assistant.

Secondary Data

Secondary data was used to support the empirical findings of the study. These other sources of data (Literature review) were majorly used to back up the arguments and findings in chapter four and five. Secondary data was obtained from existing literature in previous research paper findings, journal articles, Text books, Newspapers, reports and conference proceedings and individual bank publications and websites. This data was also obtained from Uganda Institute of Bankers and Bank of Uganda were also reviewed.

Data Collection Instrument

Primary data was collected through administering questionnaires so as to ensure confidentiality of the respondents. The questionnaire contained structured questions relating to the study variables about leadership behaviour, organisational commitment, job satisfaction and service quality of banks which were constructed on an interval scale with respondents answering in line with the extent to which they agree or disagree with the statements in the questionnaire. The questionnaire was self administered for clarity purposes as it sought to find out respondents” opinions. Secondary data was obtained through literature review of previous research findings and existing literature on each study variable.
Variables and their Measurement

Leadership

Leadership behaviours of superiors was measured on a 5-point likert scale (1 = strongly disagree, 5 = strongly agree) using 21-item of leadership behaviour consisting of attributes like participative, supportive and directive (Harris & Ogbonna, 2001; House 1971; House & Dessler, 1974; Fleishman, 1957; Stogdill, 1963). It was based on statements such as “helps people to make working on their tasks more pleasant”.

Organisational

commitment

Organisational commitment was measured by the items of Meyer & Allen’s (1997). The scale consisted of three dimensions of commitment – affective, continuance and normative. The respondents were asked to indicate their opinion on a 5-point scale (1 = strongly disagree, 5 = strongly agree). For example “I would be happy to spend the rest of my career with this organisation”.

Job

satisfactio

n

Job satisfaction was measured by items adapted by (Faragher, Cass, & Cooper, 2003; Huddleston & Good, 1999). The bi-dimensional construct consisted of „intrinsic” and „extrinsic” satisfaction dimensions. It was based on a 5-point likert scale (1 = Very dissatisfied, 5 = Very satisfied). For example “I feel good about working in this bank”

Service

Quality

Service quality was measured using 27 items of intsrvqual and servqual scale for measuring internal service quality on a five point likert scale of strongly agree to strongly disagree, the measures contained attributes such as assurance, empathy, reliability, responsiveness, tangibles, communication, flexibility and relevance (Vandermerwe &
Gilbert, 1991; Parasuraman, Zeithaml, & Berry, 1988; Reynoso & Moores, 1995). It was based on statements like “My behaviour instills trust and confidence in customers”.

**Validity and Reliability.**

A pre-test of the research instrument was done for quality control. This was to test for the reliability and validity. A content validity was used to check for clarity, simplicity, ambiguity and relevance of the instruments. The research questionnaire was checked for item consistence basing on Cronbach’s alpha test.

The results in the table were generated so as to assess the levels of reliability and validity of the research instrument. The reliability was computed using the Cronbach alpha values while the Validity was assessed using the CVI.

*Table 1: Reliability and Validity Results*

<table>
<thead>
<tr>
<th>Variable</th>
<th>Number Of Items</th>
<th>Cronbach Alpha</th>
<th>Content Validity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leadership Behaviour</td>
<td>21</td>
<td>0.78</td>
<td>0.76</td>
</tr>
<tr>
<td>Organisational Commitment</td>
<td>22</td>
<td>0.82</td>
<td>0.77</td>
</tr>
<tr>
<td>Job Satisfaction</td>
<td>8</td>
<td>0.73</td>
<td>0.75</td>
</tr>
<tr>
<td>Service Quality</td>
<td>24</td>
<td>0.70</td>
<td>0.83</td>
</tr>
</tbody>
</table>

Source: primary data
The results showed that the instrument had reliable and valid scale items since the Cronbach Alpha and the CVI values were above 0.5 in either case. With this set of the results, the researcher then went to the field to collect data.

**Data Analysis**

The data collected was edited for incompleteness and inconsistency to ensure correctness of the information given by the respondents. Variables were coded and a statistical package for social scientists (SPSS) was used for data entry and analysis. Pearson\(^r\) correlation of coefficient was used to establish the relationships between leadership behaviour, organizational commitment, job satisfaction and service quality. Multiple regression analysis was used to determine how the predictor variables explained the dependent variable.

**DISCUSSION AND INTERPRETATION OF FINDINGS**

The results in this section reflect the results that were generated from the data analysis phase. The results highlighted in this section were generated using statistical tools such as the cross tabulations, correlations and regression analysis.

**Descriptive Statistics**

This section presents the sample characteristics of the employees such as their gender, marital status, qualification and number of years worked in the bank and further presents the characteristics of customers such as how long they have been banking, what type of account they operate and what attracted them to open an account with the bank.

*Descriptive characteristics of employees*

**Age Group and Gender Distribution.**

The results in the table highlight the distribution of the age groups across the gender categories.
Table 2: Age Group and Gender Distribution

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Gender</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Male</td>
<td>Female</td>
</tr>
<tr>
<td>20 - 29 yrs</td>
<td>40</td>
<td>43</td>
</tr>
<tr>
<td></td>
<td>37.4%</td>
<td>39.4%</td>
</tr>
<tr>
<td>30 - 39 yrs</td>
<td>59</td>
<td>57</td>
</tr>
<tr>
<td></td>
<td>55.1%</td>
<td>52.3%</td>
</tr>
<tr>
<td>40 - 49 yrs</td>
<td>8</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td>7.5%</td>
<td>8.3%</td>
</tr>
</tbody>
</table>

Source: Primary data

The study revealed that most respondents were female (50.5%) while the males only comprised of 49.5%. On the other hand, the majority of respondents were also observed to fall in the 30-39 year age group (53.7%). This implies that banks have energetic employees who can continuously provide quality service by being speedy in serving customers, providing the service on time and being flexible. The population of this age group was closely followed by respondents in the 20-29 year age group (38.4%) and those in the 40-49 year age group (7.9%). It was further observed that among the males, majority of them (55.1%) were in the 30-39 year age group while only 7.5% were in the 40-49 year age group. Similarly, among the females, the least populous age bracket was the 40-49(8.3%).

Tenure and marital status distribution of respondents

The marital status and tenure of respondents is presented in table 3 below using cross tabulation so as to determine the proportion of employees based on marital status and number of years worked.
Table 3: Marital status and number of years worked distribution

<table>
<thead>
<tr>
<th>Marital Status</th>
<th>Single</th>
<th>Married</th>
<th>Divorced</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Less than 3 yrs</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Count</td>
<td>43</td>
<td>20</td>
<td></td>
<td>63</td>
</tr>
<tr>
<td>Column %</td>
<td>51.2%</td>
<td>15.9%</td>
<td></td>
<td>29.2%</td>
</tr>
<tr>
<td>Count</td>
<td>38</td>
<td>100</td>
<td>3</td>
<td>141</td>
</tr>
<tr>
<td>Column %</td>
<td>45.2%</td>
<td>79.4%</td>
<td>50.0%</td>
<td>65.3%</td>
</tr>
<tr>
<td><strong>Tenure 3 - 6 yrs</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Count</td>
<td>3</td>
<td>6</td>
<td>3</td>
<td>12</td>
</tr>
<tr>
<td>Column %</td>
<td>3.6%</td>
<td>4.8%</td>
<td>50.0%</td>
<td>5.6%</td>
</tr>
<tr>
<td><strong>7 - 10 yrs</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Count</td>
<td>84</td>
<td>126</td>
<td>6</td>
<td>216</td>
</tr>
<tr>
<td>Sample %</td>
<td>38.9%</td>
<td>58.3%</td>
<td>2.8%</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

Source: Primary data

The data revealed that majority of the banking staff are married (58.3%) followed by the singles (38.9%) and the divorced (2.8%). The majority of the married staff in the banking sector have worked for more than 3 years (65.3%). This was followed by respondents who have worked less than three years (29.2%) and more than 7-10yrs (5.6%) respectively. This is an indication that majority of respondents given positions in banks are married so as to ensure stability at the job and easy acceptance of any assignments given that they are settled and their families can accompany them to ease the process of adaptation thus explaining why they spent more than 3 years on the job. This further also means that the longer tenure the easier it is for employees to adapt to the organisational environment as well as accept bank goals and values where service-oriented culture is emphasized and continue providing service quality.
Level of education and tenure distribution

The results showing the percentage proportion of respondents in relation to the highest qualification attained and number of years worked are presented in table 4 below so as to determine the education levels of bank employees and their tenure.

**Table 4: Distribution of level of education and number of years worked**

<table>
<thead>
<tr>
<th>Tenure</th>
<th>Less than 3 yrs</th>
<th>3 - 6 yrs</th>
<th>7 - 10 yrs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>Count</td>
<td>10</td>
<td>7</td>
</tr>
<tr>
<td></td>
<td>Column %</td>
<td>15.9%</td>
<td>5.0%</td>
</tr>
<tr>
<td>Diploma</td>
<td>Count</td>
<td>50</td>
<td>105</td>
</tr>
<tr>
<td></td>
<td>Column %</td>
<td>79.4%</td>
<td>74.5%</td>
</tr>
<tr>
<td>Degree</td>
<td>Count</td>
<td>2</td>
<td>18</td>
</tr>
<tr>
<td></td>
<td>Column %</td>
<td>3.2%</td>
<td>12.8%</td>
</tr>
<tr>
<td>Masters</td>
<td>Count</td>
<td>1</td>
<td>11</td>
</tr>
<tr>
<td></td>
<td>Column %</td>
<td>1.6%</td>
<td>7.8%</td>
</tr>
<tr>
<td>Total</td>
<td>Count</td>
<td>63</td>
<td>141</td>
</tr>
<tr>
<td></td>
<td>Sample %</td>
<td>29.2%</td>
<td>65.3%</td>
</tr>
</tbody>
</table>

**Source: primary data**

The results above indicate that (72.7%) of the respondents hold a degree with majority of the respondents having worked for less than 3 yrs (79.4%) This does not differ from the assumption that most entry jobs in banks are held by people with the first degree thus explaining the short span with their employers(Less than 3 years). This further also implies that the banks can’t continuously offer service quality due to the short employee span as the new entrants take long to adjust and fit in the bank’ s culture where service quality is emphasized. This was followed by respondents who had worked between 3-6 years (74.5%). Master degree respondents followed with a representation of 12.0% with majority having worked for more than 7 years (50.0%), diploma level 7.9% and the least being at the professional level (7.4%).
### Descriptive characteristics of customers

Period customers have dealt with banks and type of account they hold.

Table 5 below presents findings on the period customers have dealt with banks and type of account they hold.

#### Table 5: The results for bank customers on period dealt with the bank and type of account operated

<table>
<thead>
<tr>
<th>Type of account</th>
<th>Savings</th>
<th>Current</th>
<th>Fixed</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Less than 1 yr</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Count</td>
<td>63</td>
<td>5</td>
<td>2</td>
<td>70</td>
</tr>
<tr>
<td>Column %</td>
<td>21.8%</td>
<td>10.4%</td>
<td>50.0%</td>
<td>20.5%</td>
</tr>
<tr>
<td>Count</td>
<td>201</td>
<td>34</td>
<td>1</td>
<td>236</td>
</tr>
<tr>
<td>Column %</td>
<td>69.6%</td>
<td>70.8%</td>
<td>25.0%</td>
<td>69.2%</td>
</tr>
<tr>
<td><strong>3 - 6 yrs</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>7 - 10 yrs</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Count</td>
<td>23</td>
<td>9</td>
<td>1</td>
<td>33</td>
</tr>
<tr>
<td>Column %</td>
<td>8.0%</td>
<td>18.8%</td>
<td>25.0%</td>
<td>9.7%</td>
</tr>
<tr>
<td>Count</td>
<td>2</td>
<td></td>
<td></td>
<td>2</td>
</tr>
<tr>
<td><strong>More than 10 yrs</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Count</td>
<td>289</td>
<td>48</td>
<td>4</td>
<td>341</td>
</tr>
<tr>
<td>Sample %</td>
<td>84.8%</td>
<td>14.1%</td>
<td>1.2%</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

Total
Source:
Primary data

The study showed that a greater proportion of the customers had Savings accounts (84.8%) while the current and fixed account holders constituted 14.1% and 1.2% of the sample respectively. The greater proportion of the Savings account customers have been banking for 3 – 6 years. Only 0.7% of them have dealt with the bank for more than 10 years. The majority of the current account holders (70.8%) have been dealing with banking institutions for a period between 3-6 years while the least number of fixed accounts (25.0%) have not dealt with banks for more than 7 years.

The reason for opening account and what type of account operated

The reason for opening account and what type of account operated by respondents is presented in table 6 below using cross tabulations so as to determine the proportion of bank customers’ reason for opening account and what type of account operated.

Table 6: Type of account held and reason for opening

<table>
<thead>
<tr>
<th>Type of account held</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Good interest rate</td>
<td></td>
</tr>
<tr>
<td>Count</td>
<td>41</td>
</tr>
<tr>
<td>Column %</td>
<td>14.2%</td>
</tr>
<tr>
<td>Convenient location</td>
<td></td>
</tr>
<tr>
<td>Count</td>
<td>9</td>
</tr>
<tr>
<td>Column %</td>
<td>3.1%</td>
</tr>
<tr>
<td>Efficient services</td>
<td></td>
</tr>
<tr>
<td>Count</td>
<td>66</td>
</tr>
<tr>
<td>Column %</td>
<td>22.8%</td>
</tr>
</tbody>
</table>

What attracted you to open an account
with this bank

<table>
<thead>
<tr>
<th></th>
<th>Count</th>
<th>107</th>
<th>10</th>
<th>2</th>
<th>119</th>
</tr>
</thead>
<tbody>
<tr>
<td>Convinced by someone</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Column %</td>
<td></td>
<td>37.0%</td>
<td>20.8%</td>
<td>50.0%</td>
<td>34.9%</td>
</tr>
<tr>
<td>Count</td>
<td></td>
<td>65</td>
<td>16</td>
<td>81</td>
<td></td>
</tr>
<tr>
<td>Advised by employer</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Column %</td>
<td></td>
<td>22.5%</td>
<td>33.3%</td>
<td>23.8%</td>
<td></td>
</tr>
<tr>
<td>Count</td>
<td></td>
<td>1</td>
<td>2</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Column %</td>
<td></td>
<td>.3%</td>
<td>4.2%</td>
<td>.9%</td>
<td></td>
</tr>
<tr>
<td>Count</td>
<td></td>
<td>289</td>
<td>48</td>
<td>4</td>
<td>341</td>
</tr>
<tr>
<td>Sample %</td>
<td></td>
<td>84.8%</td>
<td>14.1%</td>
<td>1.2%</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

Total

Source: primary data

The results above indicate that majority of the savings account customers (37.0%) were convinced by someone to open up an account with banking institution while .3% of the savings account holders opened at least an account for other reasons. similarly the large proportion of current account customers (33.3%) was advised to open an account by their employers. This means that when banks provide service quality they can be assured of loyal and stable customer base who will continuously recommend the bank to other people because they have trust and confidence that the service provider is competent to supply the service thus explaining why most savings account holders have referred by their friends to open
accounts in the bank/ banks they have dealt with for some time and have developed some trust and relationship with.

**Correlation Analysis.**

The objectives of the study were based on the relationships between the different variables which were: Leadership behaviour, organizational commitment, job satisfaction and service quality. In order to achieve this, the Pearson (r) correlation coefficient was computed given the interval nature of the data and the need to test the direction and strength of relationships that exist among the study variables. Table 7 below presents the correlation analysis results.

**Table 7: Pearson rank Correlations**

<table>
<thead>
<tr>
<th>Leadership Behaviour</th>
<th>Organisational Commitment</th>
<th>Job Satisfaction</th>
<th>Service Quality</th>
</tr>
</thead>
</table>
Leadership Behaviour  1.00  
Organisational Commitment  .31**  1.00  
Job Satisfaction  .35**  .44**  1.00  
Service Quality  .37**  .31**  .27**  1.00  

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

Source: primary data

The relationship between leadership behaviour and service quality.

Results show a positive relationship between the leadership behaviour and service quality (r = .37**, p<.01). This implies that if supervisors treat all employees as equals, encourage use of uniform procedures, involve subordinates in decision making and consult them before action is taken, this is bound to result into improved service quality. This quality of service may for instance be manifested in form of regular handling of customer queries, providing individual attention and free-error records.

The relationship between leadership behaviour and organizational commitment.

A positive and significant relationship was observed to exist between leadership behaviour and organizational commitment (r=.31**, p<.01). This means that when supervisors listen to subordinates, encourage employee participation, team work, freedom in doing organizational activities organizational commitment by employees is enhanced. This commitment is exemplified in the employees’ desire to spend most of their career in such organization, believe in the mission and values of the institution and feel part of the banks’ family.

The relationship between leadership behaviour and job satisfaction.

The correlations indicate a positive relationship between leadership behaviour and job satisfaction (r = .35**, p<.01). This observation signifies that supportive tendencies of
supervisors tend to lead to increased employee job satisfaction. Job satisfaction may be seen when employees devote all their time and skills towards attaining organizational goals.

**The relationship between organisational commitment and service quality.**

Results indicate a positive relationship between organisational commitment and service quality \( r = .31^{**}, p = .00 \). The results imply that organizational commitment dimensions such as feeling emotional attached to the bank, developing the career in the same bank for the rest of employees” life in the bank, and employees feeling as part of the bank family lead to service quality. This will lead to improvement in the willingness of the employees to help customers, giving customers prompt service, being never too busy to respond to customer requests and consistently being courteous with customers.

**The relationship between job satisfaction and quality service.**

Job satisfaction and quality service are significantly related to each other \( r = .27^{**}, p < .01 \). This implies that when employees are satisfied, they can provide customer service that is reliable, responsive, and empathetic because the employees are more knowledgeable and are able to instill confidence in customers.

**Regression analysis.**

The regression model was generated so as to examine the degree to which leadership behaviour, organizational commitment and job satisfaction can explain the dependent variable (service quality). This was done since there was more than one predictor variable impacting on the dependent variable. Table 8 below presents the regression analysis results.

**Table 8: Regression analysis model**

<table>
<thead>
<tr>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>T</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model</td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
</tr>
<tr>
<td>-----------------------------</td>
<td>-----</td>
<td>------------</td>
<td>-------</td>
</tr>
<tr>
<td>(Constant)</td>
<td>2.33</td>
<td>.29</td>
<td>8.15</td>
</tr>
<tr>
<td>Leadership Behaviour</td>
<td>.28</td>
<td>.07</td>
<td>.29</td>
</tr>
<tr>
<td>Organisational Commitment</td>
<td>.19</td>
<td>.08</td>
<td>.18</td>
</tr>
<tr>
<td>Job Satisfaction</td>
<td>.07</td>
<td>.06</td>
<td>.09</td>
</tr>
</tbody>
</table>

**Dependent Variable: Service Quality**

- R: .43
- R Square: .19
- Adjusted R Square: .17
- Sig. F Statistic: .00

**Source:** primary data

The results in the table above show that the predictor variables can explain at least 17% of the variance in service quality (Adjusted R Square = .17). This implies an improvement in leadership behaviour, organisational commitment and job satisfaction leads to 17% general improvement in the overall service quality in banks. The results further indicated that leadership behaviour (Beta = .29, p = .00), was a better predictor of service quality as compared to organizational commitment (Beta = .18, p > .01) and job satisfaction (Beta = .09, p > .20). It means that a change in leadership behaviour leads to .29 positive changes in service quality while organizational commitment contributes to .18. Job satisfaction is not a significant predictor of service quality (Beta = .09, p > .20). Therefore banks should priorities leadership behaviour and organizational commitment if they are to improve on service quality.

**Comparison of service quality perceptions by both bank staff and customers in the banking sector.**

Results are presented in table 9 below to show the customer and employee perceptions of service quality received and provided respectively.
Table 9: Comparison of service quality perceptions by both bank staff and customers in the banking sector

<table>
<thead>
<tr>
<th></th>
<th>Customer perceptions</th>
<th></th>
<th>Bank staff perceptions</th>
<th></th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>N</td>
<td>Mean</td>
<td>Std. Deviation</td>
<td>N</td>
<td>Mean</td>
</tr>
<tr>
<td>Tangibility</td>
<td>341</td>
<td>4.43</td>
<td>0.57</td>
<td>216</td>
<td>4.33</td>
</tr>
<tr>
<td>Reliability</td>
<td>341</td>
<td>3.74</td>
<td>0.69</td>
<td>216</td>
<td>4.35</td>
</tr>
<tr>
<td>Responsiveness</td>
<td>341</td>
<td>3.88</td>
<td>0.72</td>
<td>216</td>
<td>4.47</td>
</tr>
<tr>
<td>Assurance</td>
<td>341</td>
<td>4.39</td>
<td>0.57</td>
<td>216</td>
<td>4.56</td>
</tr>
<tr>
<td>Empathy</td>
<td>341</td>
<td>4.05</td>
<td>0.63</td>
<td>216</td>
<td>4.36</td>
</tr>
</tbody>
</table>

Source: Primary Data

These results showed that the perception of service quality based on tangibility, the customers (Mean = 4.43) perceive it to be better than the way the bank employees did rank themselves (Mean = 4.33). However on reliability, responsiveness, assurance and empathy employees rated themselves higher than customers. On all these service quality measures, there were significant differences on the general perceptions between these two respondent categories (p=.00). This calls for the banks come up mechanisms aimed at addressing the perceived gaps in the kind of service customers obtain from them.

Discussion

According to this study’s findings, there exists a positive and significant relationship between leadership behaviour and service quality. This shows that the relationship that exists between subordinates and supervisors in the work environment can lead to performance outcomes such as service quality. Followers are likely to exert extra effort to generate creative solutions for their problems as a result of intrinsic motivation caused by their leaders' articulation of long-term goals and visions (Avolio & Bass, 1988; Conger & Kanungo, 1987; Kirkpatrick & Locke, 1996). Schneier, MacCoy, and Burchman (1988) argued that leaders who coach, counsel, mentor and train their followers can enhance their skills and motivation to seek out opportunities and attempt new methods of approaching a problem. This is in line with what the past literatures have suggested that successful organizations need leadership mechanism that not only envision the goals, but also provides the right service climate, resources and directs employee towards continuous commitment to service quality (Pecci & Rosenthal,1996; Hartline et al., 2000; Suliman 2001; Natasha & Subroto, 2003; Clark et al., 2008).
Research findings suggest that the quality of the exchanges that develop between employees and their leaders are predictive of performance-related job outcomes, especially for employees (Gerstner & Day, 1997; Graen & Uhl-Bien, 1995). These performance outcomes can be exhibited in the ability of employees to respond to customer queries, being helpful to customers and providing service as promised. The quality of the relationships between leader and members determines the amount of physical or mental effort, material resources, information, and social support that are exchanged between leader and follower (Liden, Sparrowe, & Wayne, 1997). Thus, subordinates in such relationships interact frequently with their leaders and have their leaders’ support, confidence, encouragement, and consideration, and they take on added duties or expend extra effort to achieve work group goals beyond contractual or transactional expectations (Sparrowe & Liden, 1997). Leaders' expectations alter their perceptions of subordinates. Leaders holding high expectations of subordinates may be more likely to attribute their good behavior to their internal qualities and poor behavior to forces external to them, whereas attributions would be the reverse when the leaders have low expectations of the subordinates (Heneman, Greenberger, & Anonyuo, 1989). Leaders' expectations may also influence their behavior toward members. High leader expectations for a subordinate may translate into the provision of challenging tasks, feedback, and training. Conversely, a subordinate of whom a leader has low expectations may be left with relatively routine tasks, little feedback, and few training opportunities (Feldman, 1986; Leana, 1986).

**The relationship between leadership behaviour and organizational Commitment**

The results in table 7 showed a significant and positive relationship between leadership behaviour and organizational commitment. This implies that when leaders are considerate to employees and ensure that their expectations are satisfied, employees tend to be committed and willing to serve in the best interest of the customers, which incidentally is a prerequisite for achieving service quality. This finding is consistent with some previous studies (Blau, 1985; Williams & Hazer, 1986) and lends credibility to the notion that leadership does play an influential role in generating commitment. Employees who are committed are highly involved in their organization, and are more willing to put in considerable effort at work, and possess a strong desire to remain in their organizations. These results were consistent with the pattern found in a number of western studies, as described by Yousef (2000). In his research on major United Arab Emirates organizations, he found that employees can be highly committed to their organizations when they perceive their superiors as adopting supportive or participative leadership behaviours.
Following Katz (1951), when leaders adapt participative behaviours and involve their employees” in decision making their propensity to enter or remain psychologically with the organisation results into a positive correlation between leadership behaviour and organizational commitment being posited. And, in fact, several studies have claimed to show that employees who are allowed to participate in decision-making have higher levels of commitment to the organization (Dunham, Grube, & Castaneda, 1994; Jermier & Berkes, 1979; Savery, 1994; Yousef, 2000). Schneider and Bowen (1993) proposed that when employees” work is facilitated through supporting mechanisms, such as adequate resources and supportive supervision, they can devote themselves to providing good service that meets customers” demands. This implies an important role for first line supervisors in helping and motivating their subordinates on the shop floor to attain the desired service excellence. Other scholars like Rhoades and Esienberger, (2002); Shore and Shore (1995) have suggested that support provided by the employer can be interpreted by employees as an act of organizational commitment toward them and thus impact the employee”s commitment level. By increasing participation, employees become more motivated and understanding of the nature of the firm”s business and problems (Pitt & Foreman, 1999).

With regard to the relationship between leadership behavior and organizational commitment, several other studies have provided evidence that organizational and supervisory support plays a critical role in enhancing organizational commitment (Allen & Meyer, 1990; Eisenberger et al., 1986; Mottaz, 1988; Reichers, 1986; Vancouver & Schmitt, 1991; Vancouver et al., 1994). Liu, Chiu and Fellows (2007) claimed that individuals who are motivated would be more committed to their tasks and, hence, perform better. Wiener and Vardi (1980) also reported that there is a positive correlation between commitment and job performance. Organizations benefit from a committed workforce because committed employees tend to be absent less often, to make positive contributions and to stay with the organization (DeCotiis & Summers, 1987; Beck &Wilson, 2000; Bishop & Scott, 2000).

**The relationship between leadership behaviour and job satisfaction.**

The findings in this study have showed that there is a significant relationship between leadership behaviour and job satisfaction which means that when leaders provide the right service climate, resources and opportunity to grow from within such employees tend to
be satisfied and passionate about their jobs, will spend more time than what is required and will even put aside their self interest for their organizations, there by offering quality service. This is only possible when leaders are seen as being supportive. This finding is consistent with findings in leadership behaviour research where that the dyadic exchange relationship with an immediate supervisor is positively related to job satisfaction and intent to remain because a high quality relationship with supervisors provides intrinsic and extrinsic rewards to members (Gerstner & Day, 1997; Harris et al., 2005; Liden et al., 1997; Meglino et al., 1991; Organ,1994; Raabe & Beehr, 2003; Sherony & Green, 2002; Vecchio & Gobdel, 1984; Wilhelm et al., 1993). Thus, prior leadership behaviour studies have theoretically and empirically explained that high-quality leadership behaviour has significant positive effects on job satisfaction and intent to stay.

This study also demonstrates the role of leadership behaviour in promoting employees’ job satisfaction and organizational commitment, and reducing their desire to leave the organization. The findings support earlier studies on Leadership Behaviour attitudinal outcome relationships (Nystrom, 1990). This seems to be more true in a relationship-oriented society, where loyalty, trust, and a sense of belonging are highly valued (Abdullah, 1996). According to him, managers must cultivate a personalized relationship with people whom they deal with. The result is in line with studies examining the relationship between cultural values and leadership effectiveness in India (Sinha, 1980; Hassan, 1989). For instance, Sinha identifies preference for personalized relationship and dependency on superiors as employees’ strong values in Indian organizations. According to him, leaders who are able to cultivate a personalized relationship with subordinates and act as nurturing superiors are rated as more effective in terms of task performance and satisfaction of group members.

Morris and Bloom (2002) found several important linkages between leadership and job satisfaction in their study of mental-healthcare professionals. They argued that Employees who held higher-level positions in the organization tended to be more satisfied than lower level employees. The researchers posited that if lower level staff members were allowed to participate in decisions more readily, the employees might feel more satisfied with their jobs as well. Platonova’s (2005) research confirmed Morris and Bloom’s findings that involvement in decision-making among staff members increased job satisfaction. In research conducted by Stringer (2006), Stringer maintained that when employees have a high-quality LMX, there are also higher levels of job satisfaction, as well as mutual trust, more support, more consideration, communication
that is more effective and higher self-esteem. Such employees accomplish more and better help the organization to prosper. Further, employees with a low-quality LMX may perceive their supervisors as being unfair and will end up resenting them (Wech, 2002). Research regarding public-service employee motivation has demonstrated that considering employees in the decision making processes results in higher levels of job satisfaction (Brewer et al., 2000). Kim (2002) has also revealed a strong linear relationship between job satisfaction and participative management. Such findings are relevant for service organisations like banks since direct customer contact employees, may cause uncertainty in the bank as they attempt to pursue their own objectives (Foreman, 2000). By increasing participation, employees become more motivated and understanding of the nature of the bank’s business and problems (Pitt & Foreman, 1999). In addition, increasing employees” participation allows managers to significantly reduce service failures since service operations and policies align better with customers” needs and their behavior during the encounter. As a result, conflicts with customers decrease and, also, the friction between contact and back-office personnel scales down. Reducing the frequency of conflicts with customers and the intensity of friction with both customers and coworkers” results in higher levels of job- satisfaction, both for front desk and back office personnel (Jong et al., 2004).

The relationship between organizational commitment and service quality.

Findings from this study further show a positive and significant relationship exists between the organizational commitment and service quality. This is an indication that in a bid to improve on service quality in banks, the overall commitment, support and positive work attitude of the employees who feel involved, who are attached with the bank, who feel happy to be the part of the banks family, who support the overall goals and strategic directions, who accept and expect that the overall bank problem are also part of their own problem are very important. This will lead to improved service delivery as employees act professionally, treat customers fairly well, know their needs and empathise with them. This finding was supported by the findings of Valentine et al. (2002) who noted that employees who are committed to the organization are inevitably bound to accept organizational goals and objectives, are highly involved in their organization, and are more willing to put in considerable effort at work, and possess a strong desire to remain in their organizations. It should be noted that service quality is a mandate by banks in Uganda.
This further shows that committed Bank employees offer high quality service to customers, as these employees tend to exhibit discretionary effort. The finding is line with the works of Zeithaml et al. (1990) who argued that Service quality suffers when employees are unwilling or unable to perform service at the level required. Furthermore, when frontline employees who are satisfied with and committed to their jobs share the firm's customer-oriented values, exhibit low levels of role stress, and deliver the highest level of service quality (Bowen & Schneider 1985; Hartline & Ferrell 1996; Hartline, Maxham, & McKee 2000; Singh 2000). Findings by Unzicker et al. (2000) and Congram and Friedman (1991) show that any organisation’s success will be jeopardised if its employees fail to accept the firm’s missions, goals and objectives and fail to believe in what the company stands for.

Past findings have also established that employees who are committed to the organization will remain loyal and are inversely related to turnover (Hartline et al., 2000; Clark et al., 2008; Elmadag et al., 2008). In such conditions, employees were known to spend more time and energy in assisting the organization realize its goals and they also put their own self interest aside (Porter et al., 1973; Tsai, 2008; Sohail & Shaikh, 2004; Yiing & Ahmad, 2008). They would subscribe to the idea of being a citizen of the organisation and be fully committed to the goals of the organisation (Rashid et al., 2003). They all concurred that employees under certain circumstances, especially if they are satisfied and passionate about their jobs, will spend more time than what is required and will even put aside their self interest for their organizations. Similarly, Meyer and Allen (1991) and Rashid et al.( 2003) found that employees who were emotionally attached to the organization were known to maintain relationships and even subscribe to the idea of being a citizen of that organization. They would therefore be fully committed in achieving the organizational goals resulting into service quality attainment.

**The relationship between job satisfaction and service quality.**

Findings from chapter four further indicated that job satisfaction and quality service are significantly related to each other implying that when employees see opportunities to use their skills on job, have decision making authority needed to do their jobs effectively and clear consensus on their bank’s goals they become happy and satisfied...
with their jobs. This in turn results into employees dedicating their efforts towards finding out customer needs and providing the service as when needed and being ready to serve customers even during peak hours like lunch time. This finding is consistent with some previous studies by Judge, Bono, Thoresen, and Patton (2001) who found positive relationship between job performance and job satisfaction and lends credibility to the notion that Job satisfaction does play an influential role in generating commitment towards providing quality service. In banking operations, since services are provided by frontline personnel and the on-site performance of the bank employees determines the service quality extended to the customers. Employee job satisfaction directly impacts the mood and manner in which the service is performed and hence affecting the service quality experienced by the customer.

Extensive studies suggest that job satisfaction plays a crucial role in sustaining the performance of service employees in the workplace, hence the service quality provided to customers (Lee et al., 2006; Karl & Peluchette, 2006; MacKenzie et al., 1998; Netemeyer et al., 1997; Rogers et al., 1994; Hoffman & Ingram, 1992). Laub (1999) proposed that when “workers have higher job satisfaction in a service organization they would be freed up to perform at their highest levels of ability, leading to greater success for the organization”. This implies that Employees who are satisfied with their jobs will deliver better service quality than those who are not (Hartline & Ferrell, 1996; Atkins et al., 1996). Ivancevich and Matteson (1999) argue that satisfying the needs of workers can enhance their job performance resulting into improved service quality. Holland (1989) also suggested that satisfaction with one’s particular job is a by-product of meeting different motivational needs within the employee. Revelations by Motowidlo, (1984) are consistent with the above finding, that People who are in a positive frame of mind are more likely to be altruistic, helpful and considerate to deliver exceptional service that satisfies customer needs.

According to Eisenberger, Fasolo and Davis-LaMastro (1990), employees who feel supported by their organization tend to be more satisfied with their jobs. They further argue that these employees care about the organization and engage in activities that help to further the organization’s goals. Lok and Crawford (2003) assert that to have high level of organizational performance and effectiveness it is vital that employees have high level of satisfaction; therefore, the employee’s level of job satisfaction has positive relationship to the success of the company in terms increased service quality and
organizational performance (Dumdum, Lowe, & Avolio, 2002; Morris & Bloom, 2002; Riketta, 2002; Walumbwa, Wang, Lawler, & Shi, 2004). These findings are also in support of Lee et al.’s (2006) argument that employee satisfaction adds to the human assets quality of a firm by not only ensuring customer service quality but also enhancing employee retention and commitment. The findings are also consistent with Karl and Peluchette’s (2006) results that satisfied employees believed that their organization could provide customer service that was reliable, responsive, and empathetic, and that employees were knowledgeable and able to instill confidence in customers.

Conclusion

With reference to the above discussion, the following issues can be drawn;

Leadership Behaviour characterized as supportive tends to contribute to perceived service quality. This implies that where Bank officials recognize this as they seek to influence employees and achieve their organizational goals, supportive Leadership Behaviour tends to be practiced because such banks realize that their success is only contingent upon such behaviour. Supportive leadership behaviour creates a friendly working atmosphere and provides an environment where the employees are well taken care of.

When supervisors provided feedback about performance and allowed employees to participate in decision-making, employee levels of affective commitment was stronger than both continuance and normative. That is, employees indicated staying with the organization was more related to wanting to, rather than needing to or feeling they ought to. Employees who believe their superiors are considerate leaders will be more committed to their organizations than those who do not perceive their managers as such.

From the research findings it was observed that appropriate Leadership Behaviours and organizational commitment lead to perceived service quality. This implies that for service quality to prevail, there must supportive and participative behaviours, respect of the supervisor and the subordinate and a commitment of staff. The quality of service can be realized when the above constructs are prevalent.

The findings support a positive relationship between supportive leadership behaviour and bank staff job satisfaction. Employees want to work in an environment where they are
valued and appreciated. Findings show that when leaders are supportive, they raise the motivation and morality of others. This in turn instills pride in employees and encourages them to go beyond self-interests for the good of the bank.

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