THE RELATIONSHIP BETWEEN SUPPORTIVE LEADERSHIP AND EMPLOYEE SATISFACTION

SHRADDHA MANOHAR KULKARNI

Professor & Deputy Director- Indira Scholl of Business Studies, Pune
Indira School of Business Studies, Pune (Approved by AICTE & UGC)
E- Mail - shraddha@indiraisbs.ac.in

Abstract - This paper studied the relationship between the supportive leadership behavior of bank managers and its impact on their level of satisfaction. The study investigated the relationship between 13 specific leadership behaviors indicating supportive attitude towards the subordinates and whether it helps in keeping the employee satisfied or not. The two sample proportion test is applied in the Research Methodology based on an instrument developed by Gary Yukl (2000). The hypothesis was supported, indicating that the supportive behavior of managers was positively correlated to their satisfaction.

Key Words - Supportive Leadership behavior, bank managers, Employee Satisfaction

I. INTRODUCTION

This study has been aimed at empirically examining the application of leadership behavior by looking at the relationship between supportive leader behavior and employee satisfaction. The underlying assumption of the study was that employees are more satisfied in the organizations where managers exhibit supportive leadership behavior. York and Hastings (1986) pointed out that although supervisors need to know how to behave toward different subordinates, little research has been done to address the issue, although leadership theory has continued to enjoy a strong theoretical following. (Silverthorne & Wang, 2001) This study intended to provide a contribution to the field of leadership research and specific findings in the relatively untouched field of banking management in Public as well as Private Sector Banks.

II. LITERATURE REVIEW

This study is based on Garry Yulk's tri-dimensional theory (Yukl, Gordon, & Taber, 2002). The 13 leadership behaviours described by the tri-dimensional leadership theory are:

1. Short-term planning: deciding what to do, how to do it, who will do it, and when it will be done;
2. Clarifying roles and responsibilities: the communication of plans, policies, and role expectations;
3. Monitoring operations and performance: gathering information about the operation, including progress and performance;
4. Supporting: showing consideration, acceptance, and concern for the needs and feelings of people;
5. Recognizing: giving praise and showing appreciation to others for effective performance, achievements, and contributions;
6. Consulting: involving the followers in making important decisions;
7. Empowering: delegating more autonomy and discretion to subordinates;
8. Developing: providing the opportunity to develop skills and confidence;
9. External monitoring: observing and recording the external environment in order to identify threats and opportunities;
10. Envisioning change: articulating and inspiring a concept of a better future;
11. Encouraging innovative thinking: providing an environment where subordinates are inspired to create new ideas for improving the organization;
12. Taking risks for change: willingness to stray from the accepted norms in order to improve organizational performance; and
13. Explaining the need for change: communicating the importance and inevitability of change within the organization.

III. RESEARCH METHODOLOGY

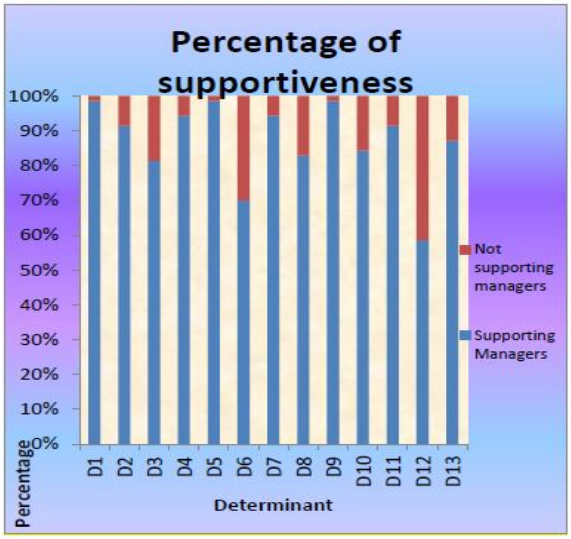


Table1: Table containing the % of supportiveness of managers as indicated by subordinates

This exploratory study used the Two Sample Proportion Test method. Purposive judgmental sampling is used to select the respondents. In all 45 managers and 119 subordinates from Private & Public Sector Banks in Pune region participated in the present study. A close ended questionnaire survey was conducted for managers and subordinates to understand the significance of supportive behavior and employee satisfaction. These questionnaire survey was a modified version of MPS Managerial Practices Survey (MPS) by Garry Yulk. Based on the assumption of the study hypothesis has been built up and tested for the significance.

Observations: From above table it can be stated that, the percentage of managers who feel that they need to support subordinates is highest (41.43%) for Taking Personal Risks. For determinants Encourage Innovative Thinking this percentage is equal to 30. For determinants Monitoring the Environment, Consulting, Envisioning Change and Explaining the Need for Change by managers this percentage is in between 10-20. For all other determinants the percentage is less than 10% but it is noticeable. The managers who do not support employees have received dislikes in open ended questions and employees expect them to have leadership behaviour. Thus we can conclude that Managers who exhibit supportive leadership behaviour are well-accepted and the employee performs better under these managers because they are satisfied and happy.

Hypothesis Testing

H1: Managers who exhibit supportive leadership behavior towards their employees are more frequently will experience a higher employee satisfaction and effectiveness in work.

For testing this hypothesis, the total score of an employee and manager has been used. To derive at a conclusion that managers' leadership behavior and satisfaction of employees have a positive correlation, the responses of managers and employees to leadership behavior parameters have been studied. To determine the satisfaction level of employees and to decide the effectiveness of managers, the researcher has designed open ended questions. The essential data has been extracted from the open end questions. The total score of employees varied from 52-260. Rating components of parameters which were considered as "Frequently or almost always", have indicated supportive behavior of managers. Therefore, it has been consequent that if the score of an employee was greater than or equal to 204, manager's behavior was supportive; and in case of the score was less than 04, the behavior of managers towards the employees was unsupportive. The statistical hypothesis to be tested for any of the above conclusions has been indicated below,

H01: The proportion of satisfied/effective employees is same for supporting and non- supporting managers.
H11: The proportion of satisfied/effective employees is more for both supporting managers. Following table summarizes the satisfaction level of employees and effectiveness of managers for Company 1 and Company 2 In the Two-Sample Test for Proportions task, you can determine whether two probabilities are the same.

Sector	Manager's behavior	Employee		Total
		Not Satisfied	Satisfied	
Company 1	Non-supportive	15	29	44
	Supportive	5	26	31
	Total	22	53	75
Company 2	Non-supportive	23	26	49
	Supportive	4	7	11
	Total	28	32	60

Two Sample Proportion Test

In this hypothesis, the researcher has tried to the proportion derived managerial effectiveness and the level of employee satisfaction. The data set contained two samples in which each observation is either 'yes' or 'no'. A response of 'yes' indicated that the satisfaction level of employees was high; a value of 'no' indicated that this was not the case. Suppose that you want to determine whether the probability of a correct search by the new algorithm is higher than that for the old algorithm. This test has been used to determine whether to reject the null hypothesis that the two probabilities are equal in favor of the alternative that employees were satisfied in case of effective managers.

Sector	Manager's behavior	Proportion of satisfied/ effective employees	P-value	Decision
Company 1	Non-supportive	0.65	0.032	Reject H_{01}
	Supportive	0.83		
Company 2	Non-supportive	0.43	0.046	Reject H_{01}

To test the above hypothesis Two Sample Proportion Test has been used. The outcomes of this test are tabulated below.

IV. Finding and Conclusion

As specified in the above table, we concluded that the proportion of satisfied employees and effective managers were positively correlated. The satisfaction level of employees was high in case of managers who have supportive behavior in both the sectors. As P-value for private sector was less than 0.05, the proportion of satisfied employees for managers with supportive behavior was significantly greater than that for managers with non-supportive behavior. The

P-value for public sector was also less than 0.05; the proportion of satisfied employees for managers with supportive behavior was significantly greater than that for managers with non-supportive behavior; though, there was a difference in the proportion for private sector banks and public sector banks.

From proportion of satisfied employees and effective managers according to the result of the above test, it can be concluded that "Managers Who Exhibit Supportive Leadership Behavior Towards Their Employees Are More Frequently Will Experience a Higher Employee Satisfaction and Effectiveness in Work.

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