The research findings have been stated and discussed at length in the previous chapter. This chapter contains the summary, conclusions, and recommendations of the research study.

7.1. SUMMARY:

The study was concerned with the leadership styles of middle and senior level managers of commercial banks in India. The purpose of the study was threefold: first, to find out whether bank managers possessed leadership traits; second, to ascertain the leadership styles adopted by these managers; and third, and to investigate how certain situational person-centered and personality variables affect leadership styles.

The introductory chapter established the importance and relevance of the research project. The success of banks is dependent upon the extent to which they succeed in getting their employees to work together in achieving common goals. This in turn depends upon how the employees perceive their organizations. For example, however just and fair the promotion policy of a bank may be, if the members perceive the system as biased and unfair, the very system will fail to serve its purpose. Among the many factors that influence employee perception of the organization, the role of the manager is found to be a significant one. The manager is the link between the “bank” and the “employees”, and the latter interpret happenings through their managers. For the employees, “a supervisor in the organization: if he is good, the organization is usually viewed favorably; if he is ineffective in working with employees, the organization itself is seen negatively” (Porter, Lawler, & Hackman, 1975, p. 184). In other words, managers by virtue of the leadership style they
adopt can affect members’ perception of the organization and finally their behaviour and attitude toward achieving organizational goals.

Commercial banks operate in a very volatile environment and the role of a bank manager is a challenging one. In the study, leadership is defined as a process of influencing the activities of a group in an effort to achieve certain set organizational goals. Leadership style is defined as “the way” this influence is exerted. In other words, the leadership style of a manager consists of his/her habits, work patterns, and stable mannerisms.

The second chapter contains a review of the research and literature associated with leadership, in general, and with leadership styles, in particular. The various characteristics of leadership have been highlighted by studying how leadership has been viewed by writers and researchers over the years. The forces which influence leadership style are discussed along with the impact of leadership style on organizational effectiveness. The theories of leadership are reviewed under three distinct topical headings: trait, behavioural, and situational. The underlying premise of the trait approach is that leadership is an attribute of personality. In the behavioural theme, the focus is on the observed behaviour of the leader, which has been classified in various ways by different researchers, as authoritarian/democratic, employee-oriented/production-oriented, initiating structure/consideration, etc. The situational approach examines the interrelationships among leader and subordinate behaviours and the situations in which the parties find themselves. In other words, the appropriate style depends on the situation.

Finally, mention is made of an important element that distinguishes the managers from subordinates—the opportunity the managers have to exert influence over others: the power feature. The managers were this influence for motivating staff, as this constitutes one of the essential and inescapable tasks of all managers/leaders. Whatever the function of the business with which managers are concerned and whatever be their position in the hierarchy, those who report to the managers will look to them for leadership, and their attitude to their work, their desire for achievement, will largely reflect the things the managers do or fail to do.
The third chapter deals with the evolution and structure of commercial banking in India. The role and functions of commercial banks have been enumerated, along with the management and organizational structure existing in these banks, to present a complete picture of the present state of commercial banking in India.

It is evident that with the commercial banking system becoming an important instrument in the hands of the government for achieving the objectives of economic development and social growth, commercial banks today perform many and varied functions which have made a bank manager’s job complex and challenging.

The organizational structure of a commercial bank is managed by a hierarchy of managers fitted into various management grades. In this study the leadership styles of managers from the Middle Management Grade Scale II level to the Senior Management Grade VI level have been studied.

Chapter IV describes the research design and methodology used in this study. Keeping in line with the trait, behavioural, and situational leadership theories, research in the area of leadership has moved in these three directions, with a majority of the current studies concentrating on the situational approach. This study has combined the person-centered approach with a study of patterns of interaction, and finally the environment. In other words, personality, person-centered, and situational variables have been treated as independent variables which affect the leadership styles of managers. The leadership styles are described as exploitative authoritative, consultative, and participative.

This study has adopted an interdisciplinary approach, using management and psychology in a multivariate framework. The questionnaire technique was used for data collection and classification of the data was done keeping in mind the hypothesis to be tested. One hundred seventy-eight managers from nine nationalized commercial banks formed the data base of the study. Three hypotheses to be tested relate to situational variables, two to person-centered variables, and two to personality variables. A combination of statistical techniques has been employed to test the hypothesis.
The findings of the research study are enumerated and discussed in detail in Chapter VI. A summary of the findings are not listed again at this point, but mention will be made of them during the course of the concluding.

7.2 CONCLUSIONS:

The researcher observed some shortcomings in the previous research on leadership styles, as it failed to give adequate attention to the following points:

7.2.1 There has been a consistent oversimplification of the leadership style concept by stressing the polar ends of the influence-power continuum. That is, researchers have dealt at length with the autocratic and democratic styles of leadership, but there is an inadequate description of alternative leadership styles which are to some extent independent of the polar concepts.

7.2.2 Sociological research on leadership styles has concentrated on situational and structural variables, while psychoanalytically oriented literature has made effective use of personality and person-centered variables. However, there is a dearth of research work which has used situational, person-centered, and personality variables together in one research study.

7.2.3 In recent years researchers have laid a lot of emphasis on the participative style of leadership as it is believed that participation increases the quality of decisions. This is logical as long as it can be shown that the requisite skills are indeed available at the level which is brought into the participative process. As far as the researcher knows, this has never been investigated.

7.2.4 Research instruments have tended to use very broad questions dealing with general rather than specific decision situations. Vroom’s questionnaire cited in Heller’s (1991, p. 35) study is typical. Tannenbaum’s control graph questionnaire is similar: “In general, how much say or influence do they feel each of the following groups has on what goes on . . .?” (Smith & Ari, 2004, pp. 636-638).
Lawrence and Lorsch (2007, pp. 262-263) use almost the same vague formulation. It is likely that broad questions tend to elicit broad responses tapping general systems of belief rather than descriptions of actual behaviour in specific situations.

7.2.5 Researchers appear to have concentrated on investigating the personalities and leadership styles of managers working in industrial organizations. Bank managers appear to have been overlooked as a class of executives whose personalities and management style need to be investigated.

The above five points do not exhaust the possible critical evaluation of the literature on leadership styles, but they cover the areas on which the present research has concentrated. In relation to the criticism made in point 3, this research has made little impact. In other cases it is claimed that the viability of a new approach has been demonstrated. More specifically, starting with point 1, this research study identified leadership styles of bank managers not merely as autocratic or democratic, but by taking additional positions on the continuum, as exploitive authoritative, benevolent authoritative, consultative, and participative, this finer classification of leadership styles permits accurate judgments of the behavioural patterns of bank managers.

Regarding point 2, this research study has contributed to a widening of the theoretical framework in the investigation of leadership styles by examining the interaction between situational, person-centered, and personality variables.

Coming to point 4, the questionnaire relating to leadership styles used in this study is based on Likert’s questionnaire of organizational characteristics, and contained very specific questions which pinpointed the actual behaviour of managers in specific situations.

Lastly, this study appears to be the first of its kind to study the personality profiles of Indian bank managers, first with a view to ascertaining whether they possess leadership traits, and then assessing their leadership style.
It would be relevant here to make a brief mention of the findings of the study. Within the limitations of the sample and methods, the researcher reports the following findings:

7.2.6 Position in the hierarchy affects the leadership style of bank managers. Managers lower in the hierarchy used a benevolent authoritative leadership style, while the senior-most managers had a participative style of management. Managers positioned at an intermediate level had a consultative style of leadership.

7.2.7 Bank managers holding staff positions had a more consultative style of leadership as compared to those holding line positions.

7.2.8 Size of the organization does not affect the leadership style of managers. Managers from small, medium, and large sized banks were found to have a common leadership style--the consultative one.

7.2.9 Experience has an effect on leadership style. It is found that older bank managers with a greater number of years of experience in banking had a participative leadership style as compared to the consultative and authoritarian benevolent styles of younger and less experienced managers.

7.2.10 The leadership style of bank managers is not affected by the cadre in which they join banks. Thus, managers, irrespective of whether they had joined the banks as clerks or as officers, were found to have the same leadership style--the consultative one.

7.2.11 Indian bank managers possess leadership traits. In other words, bank managers are found to be intelligent, assertive, enthusiastic, conscientious, bold, shrewd, and socially precise. However, contrary to expectations, bank managers are found to be emotional, tender-minded, and imaginative.

7.2.12 The personality profiles of bank managers affect the leadership styles they adopt. While no differences were found in the personality profiles of the managers with differing styles of leadership, in terms of the second-order factors of extraversion, anxiety, tough poise, and independence, some differences are found to exist while making comparisons on the basis of the primary traits. Thus, benevolent authoritarian managers are found to be more intelligent and liberal than consultative managers. Between consultative and participative managers,
the latter are found to be more mature, conscientious, shrewd, controlled, composed, and secure than the former.

The findings of this study are significant because against a backdrop of theories of leadership and using an interdisciplinary approach, the researcher has tested the hypothesis that leadership style is a multivariate phenomenon. Environmental, person-centered, and personality determinants of behaviour have been tested simultaneously. At the same time, the findings contain a wealth of data which could be used by banks in reviewing and revising their personnel, promotion, training, and other policies for ensuring effective management of human resources.

7.3 RECOMMENDATIONS:

This study, from the nature of the problems it attempts to tackle, suggests additional questions to be answered by future researchers. As mentioned earlier in this chapter, a study needs to be made to investigate the skills possessed by personnel at different levels of the hierarchy in organizations as this would help in deciding what levels of management should be involved while taking decisions.

Research on the relation of leadership styles to the utilization of human skills lends itself to comparisons between different researches on the relation of leadership style to the utilization of human skills lends itself to comparisons between different countries. For instance, the following hypothesis could be established. Authoritarian leadership style will prevent the banking industry from achieving the best quality solutions and will inhibit the rate of innovation and acceptance of change. The comparison of leadership styles of matched samples of managers in different countries might give us information on the effective use made of scarce skill resources in line with the hypothesis. It should; for instance, be possible to use both the findings and the theoretical framework of the present research to investigate the leadership styles of matched groups of bank managers from different countries. Moreover, such a cross-cultural study would promote understanding of
human behaviour and perhaps bring into focus many different styles of leadership which could be experimental with for achieving organizational excellence.

It is recommended that future studies investigate the relationship style and organizational effectiveness with special reference to the banking industry. While such studies have been made in other industries, no such attempt appears to have been made with regard to the Indian banking sector. The present study has taken the first step in this direction by identifying the leadership styles of bank managers. Future researchers could use those findings to study the effect of the leadership styles on such organizational variables as productivity, adaptively, flexibility, and satisfaction.

Finally, yet another question presents a challenge to future researchers. This is regarding the variance, if any, in the leadership styles of male and female bank managers, based on their personality and biographical differences. In the next couple of years, the female bank managers, who are presently occupying a fair amount of middle management positions, would have moved to senior positions in banks. It would be interesting to study and compare their leadership styles with that of their male counterparts. A related study was conducted by Ohawary and Bhatnagar (2008) on sample of male and female managers studying at the Indian Institute of Management and sample of male and female managers studying at an American Business School. It was found that the female in both Countries are more hard-driving and conflicted than the male. The American female manager is also more naïve. It was also found that though the male and female managers (in both the countries) do not differ significantly on job level, number of subordinates, size of budget controlled, the male managers each more than the female managers.

Finally, in the future more complex research designs will no doubt wish to include a range of personality measures as well as situational variables in studying leadership styles in banks in dyadic interaction.

To conclude, in common with other investigation in this field, the finding of this study have answered some questions and raised some queries. It is clear that a great deal of
further work will have to be done before leadership is fully disentangled from the cobwele in which it is currently embedded. But these researchers definitely succeed in disentangling some of the stands in the cobwele.

### 7.4 LIMITATIONS OF THE PRESENT STUDY:

There are several shortcomings inherent in this study. The sample size is limited to one geographical location i.e. only to Delhi-NCR region. The main theme of the study is based upon independent variables like- Situational variables, personality centered variables and leadership styles as dependent variables. The role of socio-economic and cultural variables may be defined and its impact on leadership attributes, but it needs a separate study in the banking industry.

According to current study, “Analysis of leadership styles in Banking sector in North Cyprus: Testing Factors effecting Authoritarian Style and a Model for Banking Sector in a small island Economy,” By Ahmet Melih Karavelioglee. The study tested the hypothesis of task oriented and people oriented factors to the authoritarian behavior of managers in the Banking sector in a small island economy is the main purpose of this research. The study also ignored the study of the female managers, who are found more task-oriented leaders in this context.

The study can be made in private sector banks and leadership styles of such bank managers can be compared with the managers of public sector, nationalized banks. The leadership styles and its impact on bank performance may be compared, in terms of discipline and profits. It also needs separate study. India should understand the importance of investing in human resources and promoting gender equality. Managers should be asked to behave like entrepreneurs.

### 7.5 FUTURE SCOPE OF THE STUDY:
The scope of the present study is limited to influence leadership behavior and leadership styles of bank managers of nationalized commercial banks in India towards the achievement of organizational effectiveness. The researcher needs to search this topic; because, there is increase in competition among banks, day by day and managers need to be more competent, more committed and high performers to stay in the competitive market. The study is concerned on situational variables, person-centered variables and personality variables only.

There is need for a separate study of the leadership styles in private sector banks in India and foreign based private sector banks and it is also expected that leadership styles and behavior of in Industries will be different, because, nature of white collar and blue collar jobs are entirely different. Hence leadership style for such employees will be different. The researcher has own limitations, due to which, study of other variables, private sector banks and Industries, have been suggested for other scholars.

Exploratory factor analysis and confirmation factor analysis techniques may be used in future research. The present study is based on t-test, f-test and variance analysis. Means, frequency and standard deviations for task oriented leadership may be used in future. This type of study could be replicated in other sectors also, such as higher education and tourism industry as well.