Transformational Leadership and Employee Attributes

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Abstract

In the present age of innovation and technology diffusion, many organizations employ a diversified workforce. Past research suggests that a transformational leadership style is needed for managing a diversified workforce. This study examines the impact of transformational leadership on employee engagement, employee performance, self-efficacy, organizational commitment, job satisfaction and employee creativity in the banking sector of Pakistan. The valid sample size for the study was 92, with a response rate of 92%. The questionnaire was adopted from earlier studies. The results indicate that transformational leadership does not have a statistically significant influence on self-efficacy and organizational commitment. On the contrary, transformational leadership has a strong effect on employee engagement ($R^2 = .61$), employee performance ($R^2 = .57$), employee creativity ($R^2 = .52$) and job satisfaction ($R^2 = .52$).

Keywords: *Transformational Leadership, Employee Performance, Job Satisfaction, Employee Engagement, Organizational Commitment, Employee Creativity, Self-Efficacy.*

Introduction

The transformational leadership style has been effective in inspiring employees to perform beyond expectations (Bass, 1985). A transformational leader activates employees' higher order needs and motivates them to perform at their best. Both employees and organizations benefit as a result (Allen, Herst, Bruck, & Sutton, 2000). A transformational leader also plays a critical role in managing change within the organization by sharing his vision with the employees (Wang et al., 2016). An effective transformational leader inspires, promotes intellectual stimulation and empathizes to employee needs (Cappelli, Singh, Singh, & Useem, 2015). The environment of trust and respect created by a transformational leader helps employees to perform beyond expectation (Baloch, Ali, & Zaman, 2014). Several earlier studies have found a positive relationship between transformational leadership and employee performance (Bass, 1985; LePine, Zhang, Crawford & Rich, 2016). Researchers have also explored the relationship between transformational leadership and employee

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engagement (Nasomboon, 2014; Popli & Rizvi, 2015). The effect of transformational leadership on self-efficacy, job satisfaction and organizational commitment have also been investigated (Kopperud, Martinsen, & Humborstad, 2014; Pantouvakis & Bouranta, 2013). Other studies have examined the indirect effect of transformational leadership on employee performance. Some of the intermediate constructs used for measuring this relationship are culture, innovation and knowledge management (Birasnav, 2014; Muenjohn & Armstrong, 2015; Paulsen, Callan, Ayoko, & Saunders, 2013).

While many studies on transformational leadership have been undertaken in developed countries, limited research has been carried out in the context of Pakistan. Therefore, this study examines the effect of transformational leadership on employee performance, employee engagement, self-efficacy, organizational commitment, job satisfaction and employee creativity.

Literature Review
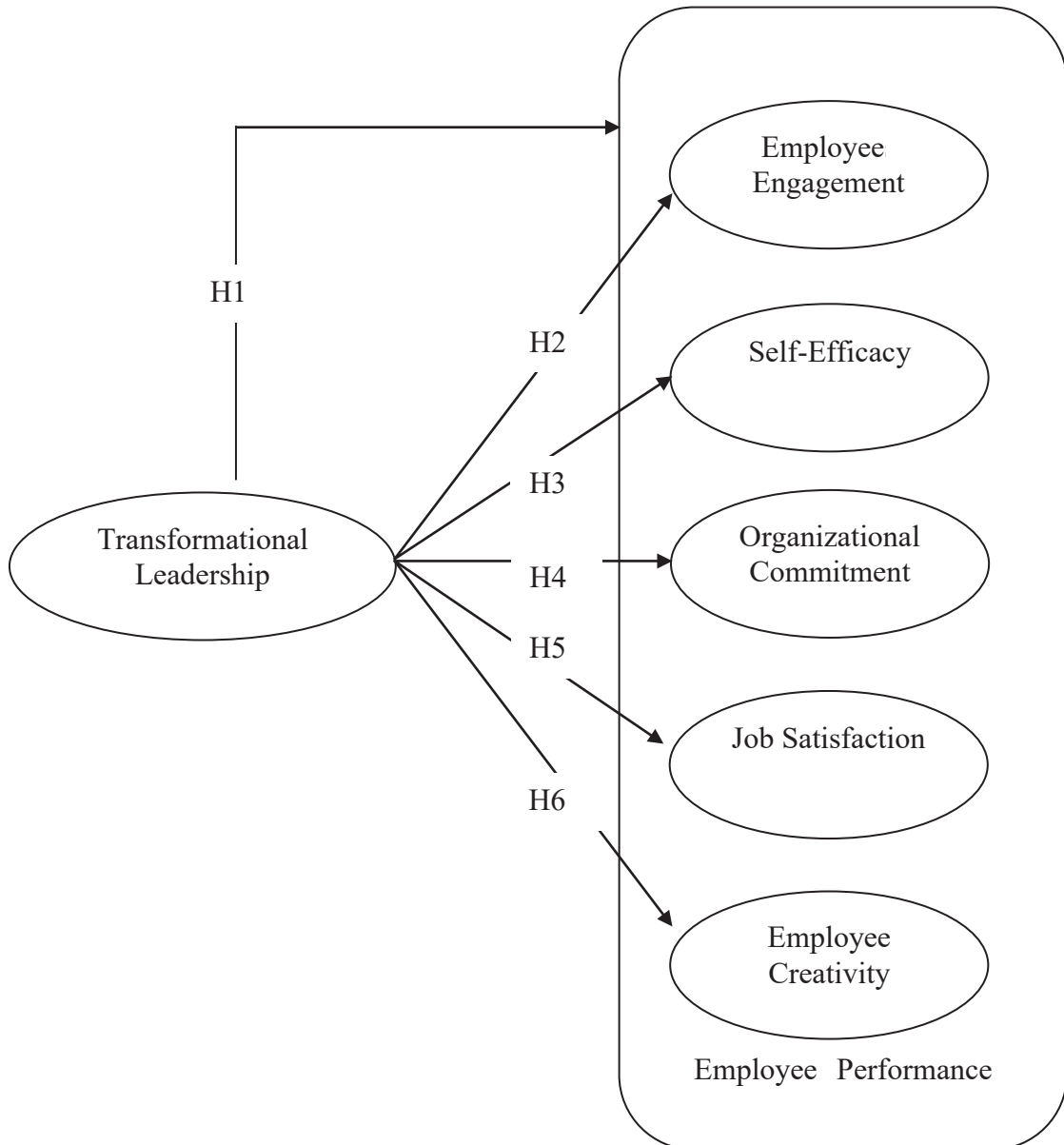
Transformational Leadership Theory

Transformational leadership theory describes how supervisors with leadership qualities drive organizational change (Choi, 2006; Singh & Krishnan, 2005). The theory was introduced by Burns (1978) and extended by others. According to Burns (1978), a transformational leader is able to extract and nurture the hidden attributes of his followers due to which both followers and organizations become successful. The transformational leadership theory proposes that leaders through their personality traits provide empowerment to their followers (Choi, 2006). Such leaders introduce ideological morals and values into the organization and inspire their followers. Thus, transformational leadership has been effective in diverse cultures across the world (Bass, 1995).

Technological innovation, globalization and industrial strategies must complement each other and support management objectives and practices (Ergeneli, Arı, & Metin, 2007). Organizations need dynamic leaders that can perform in diverse cultures (Avolio & Gardner, 2005; Bass, 1995). Research suggests that transformational leadership has been successfully implemented in diverse cultures across the world (Acar, 2012; Bass, 1995)

Theoretical Grounding

A conceptual framework has been developed based on the previous literature and the Theory of Transformational Leadership. The framework is presented in Figure 1. This is followed by a discussion of transformational leadership and relationships depicted in the conceptual framework.

Figure 1: Conceptual Framework

Figure 1: Conceptual Framework

Transformational Leadership

Transformational leadership plays a significant role in satisfying followers' needs and solving their problems. It also helps followers in attaining their desired goals (Theisohn & Lopes, 2013). Transformational leadership is considered different from other leadership styles as it motivates followers through inspiration (Bass, 1995; McCleskey, 2014). Studies have found that a transformational leader creates an environment of trust and engagement due to which employee motivation increases significantly (Bass, 1995). Such leaders not only share their vision and mission but also ensure that employees contribute according to their capacity and ability (Stewart, 2006).

Transformational leadership is associated with many performance indicators including commitment and motivation (Boies, Fiset, & Gill, 2015; Burns, 1978; Kelloway, Gilbert, Fraccaroli, & Sverke, 2017). Burns (1978) observed that transformational leaders not only influence their followers by exchange of relationships but also give rewards and punishments. As a result, transformational leaders tend to raise the morality and motivation levels of their followers.

The transformational leadership style has been applied in various sectors of the economy including sports and education (Bass, Avolio, Jung, & Berson, 2003; Beauchamp et al., 2010; Callow, Smith, Hardy, Arthur, & Hardy, 2009). However, there is a lack of consensus among researchers on how to measure, analyze and conceptualize transformational leadership (Avolio & Gardner, 2005; Hardy et al., 2010).

Transformational Leadership and Employee Performance

A study carried out in 408 services organizations in Spain found that transformational leadership behavior is directly correlated with employee learning and performance. It was also found that organizational learning is systematically related with performance. The study also observed that the relationship between organizational performance and transformational leadership was indirect. The study concluded that transformational leadership is important for improving the financial performance of organizations (Aragón-Correa, García-Morales, & Cordón-Pozo, 2007; Berghe & Hyung, 2011).

Although several studies have validated the effect of transformational leadership on employee performance (Wang, Oh, Court right, & Colbert, 2011), most studies have not explained how employees are able to produce outstanding results under the influence of transformational leadership (Bass, 1985). Many studies have linked transformational leadership with employee performance and also found that transformational leadership has a significant positive effect on trustworthiness. This indicates that employee performance improves with an increase in the trust of leaders (Schaubroeck, Lam, & Peng, 2011).

Previous research has found that the transformational leadership style has an inspirational effect on employees which enhances their self-efficacy and motivation level. It also leads to better employee performance (DeRue & Wellman, 2009; Kelloway et al., 2017; Wang et al., 2016). Thus, it has been hypothesized that:

H1: Transformational leadership has a positive effect on employee performance.

Transformational Leadership and Employee Engagement

Charisma, being an important trait of transformational leaders plays an important role in changing the focus of employees from negative to positive (Lievens, Caestecker, Van Pottelberge, Van de Putte, & Dupont, 2017; Schmitt, Den Hartog, & Belschak, 2016).

Several studies on transformational leadership have found that it has a positive effect on employee engagement (Crawford, Rich, Buckman, & Bergeron, 2014; Strom, Sears, & Kelly, 2014).Two aspects of transformational leadership, i.e. inspirational motivation and charisma also helps in increasing employee engagement. Thus, inspirational leaders enhance employee engagement through motivational speeches, appreciation and stimulating teamwork (Kuhnert & Lewis, 1987; Washington et al., 2014). Employee engagement also increases when leaders encourage employees to solve the prevailing problems through creativity and innovation (Breevaart et al., 2014). As opposed to transformational leadership, transactional leadership tends to have a negative effect on employee engagement (Henker, Sonnentag, & Unger, 2015; Judge et al, 2003).

H2: Transformational leadership has a positive effect on employee engagement.

Transformational Leadership and Self-Efficacy

Transformational leaders also enhance subordinate self-efficacy through persuasion (Tims et al, 2011). These leaders provide sufficient opportunities to subordinates to do challenging jobs through which they can learn, develop skills and raise their self-esteem (Breevaart et al., 2014).

Transformational leaders tend to give positive feedback to subordinates and promote optimism. As a result, they enhance employee commitment to achieve organizational goals (Tims, Bakker, & Xanthopoulou, 2011). Studies have found that Pygmalion helps in enhancing self–efficacy. Pygmalion also promotes learning and positive expectations (Celuch, Kasouf, & Strieter, 2015). Leaders with charisma emphasize on channeling efforts which leads to an increase in self-worth and self-efficacy (Mittal & Dhar, 2015). Higher self-worth also leads to self-efficacy and a sense of moral correctness. They also help in building employee strength and confidence (Caillier, 2016; Hurter, 2009). Studies have found that transforma-

tional leaders have a capacity to influence and enhance self-efficacy and self-belief.

H3: Transformational leadership has a positive effect on self-efficacy.

Transformational Leadership and Organizational Commitment

The notion of organizational commitment has been widely researched in the academic literature (Joo, Jun Yoon, & Jeung, 2012). Transformational leadership has been found to enhance employee development in organizations (Braun, Peus, Weisweiler, & Frey, 2013). It has also increased employee commitment and retention within organizations (Beverborg, Sleegers, &Van Veen, 2015).

It has been observed that transformational leaders promote employee development through inspiration and organizational commitment (Avolio, Zhu, Koh, & Bhatia, 2004). A study carried out in 90 Singaporean schools had found that transformational leadership has a significant relationship with job satisfaction and organizational commitment (Ross & Gray, 2006). Organizational commitment is also reflected by the level of employee involvement in an organization. Prior studies have found that organizational commitment can be increased through transformational leadership (De Moura, Abrams, Retter, Gunnarsdottir, & Ando, 2009; Brown, 2003; Mumford & Gustafson, 1988).

Transformational leaders play a significant role in increasing employee commitment. Employee commitment is achieved by encouraging employees to think creatively and critically. For example, employee commitment can be enhanced through appreciation, recognition and involvement in decision making. All such activities are geared towards employee development (Avolio & Gardner, 2005). Several studies have concluded that organizational commitment was high for those employees who had worked with transformational leaders (Braun et al., 2013; Geyer & Steyrer, 1998).

H4: Transformational leadership has a positive effect on organizational commitment.

Transformational Leadership and Job Satisfaction

Job satisfaction has been a widely researched topic in the academic literature. Many studies have examined how job satisfaction is affected by leadership styles (Elkins & Keller, 2003). Organizations that are flexible and encourage participative management tend to have a highly satisfied workforce (McKinnon, Harrison, Chow, & Wu, 2003). Studies have observed that transformational leadership qualities have a significant relationship with job satisfaction and commitment. The relationship between transformational leadership and job satisfaction has been examined across many industries and organizational settings (Podsakoff, MacKenzie, & Bommer, 1996; Vann et al, 2014). It has also been observed that

the transformational leadership training program had significantly improved employee perception of leaders (Kelloway, Barling, & Helleur, 2000).

H5: Transformational leadership has a positive effect on job satisfaction.

Transformational Leadership and Employee Creativity

Creativity refers to an individual's ability to develop new concepts and constructive solutions to problems (De Jesus, Rus, Lens, & Imaginário, 2013; Wilson, 2009). Transformational leadership not only play a significant role in inspiring followers but it also promotes creativity (Chang & Lee, 2007). Transformational leadership and creativity have some common determinants including vision, support for innovation and recognition (Elkins & Keller, 2003). Self-efficacy also leads to creativity. Since transformational leaders create self-efficacy, they also promote creativity through self-efficacy. Studies have found that employees with a high level of self-efficacy often generate new ideas and solutions (De Jesus et al., 2013). In addition, emotional bonds created through transformational leadership also promotes creativity. While several studies have found that transformational leadership promotes creativity, there is some evidence to the contrary (Jaussi & Dionne, 2003; Wang et al, 2014).

H6: Transformational leadership has a positive effect on employee creativity.

Methodology

Population and Sampling

The study focuses on the banking sector in Karachi. Moreover, a non-probability sampling technique was used. Approximately 100 questionnaires were distributed to bank employees in Karachi with a response rate of 92%.

Respondents Profile

The age of the respondents ranged between 35 to 55 years (Means= 21.50 and SD 2.69). Around 67% of the respondents were married while the remaining 33% were single. The respondents included 78% males and 22% females. Approximately 31% of the respondents had a master's degree, 55% had a bachelor's degree and the remaining 14% had only intermediate qualification.

Scales and Measures

The questionnaire used in the study had 7 questions on demographics based on the nominal scale. The questions related to the objectives of the study were based on five point Likert scale; one being strong disagreement and five being strong agreement. A summary of the scales and measures is presented in Table 1.

Table 1: Summary of Scales and Measures			
Construct	**Source**	**Items**	**Reliability in earlier studies**
Transformational Leadership	(Avolio & Bass, 1995)	5	0.80 to 0.92
Employees Performance	(Avolio & Bass, 1995)	8	0.77 to 0.90
Employee Engagement	(Wilson, 2009)	8	0.75 to 0.90
Self-Efficacy	(Hurter, 2009)	8	0.77 to 0.90
Organizational Commitment	(Brown, 2003)	8	0.77 to 0.90
Job Satisfaction	(Berghe & Hyung, 2011)	8	0.75 to 0.90
Employee Creativity	(Avolio & Bass, 1995)	8	0/76 to 87

Results

Descriptive Analysis

Descriptive analysis was carried out to examine the internal consistency and normality of the data. The results are presented in Table 2.

Table 2: Descriptive Analysis					
	Cronbach Alpha	**Mean**	**Std. Dev.**	**Skewness**	**Kurtosis**
Transformational Leadership	0.83	3.52	0.42	0.37	-0.89
Employee Engagement	0.87	3.42	0.46	0.39	-0.94
Employees Performance	0.79	3.45	0.44	0.25	0.45
Self-Efficacy	0.73	3.59	0.44	0.45	0.61
Organizational Commitment	0.84	3.41	0.58	0.6	-1.01
Job Satisfaction	0.80	2.47	0.81	-0.15	0.3
Employee Creativity	0.71	3.35	0.33	0.34	0.89

Table 2 shows that the Cronbach alpha (reliability) of employee engagement was the highest (α= 0.87, Mean = 3.42, Std. Dev = 0.46) and employee creativity the lowest (i.e. α = 0.71, Mean = 3.35, Std. Dev = 0.33). The reliability of all the constructs are greater than 0.7 indicating acceptable internal consistency (Bryman & Bell, 2015). The variable job satisfaction has the lowest Skewness (SK=-0.15) while organizational commitment has highest skewness (SK=0.6). However, the Kurtosis value is the highest for organizational commitment

(KR=-1.01) and it is the lowest for job satisfaction (KR=0.3). As the Skewness and Kurtosis values for all the variables lie between the range of $\pm$ 3.5 it can be assumed that the constructs have univariate normality (Bryman and Bell, 2015).

Convergent Validity

Convergent validity was examined to identify whether the constructs are different from one another. The results are presented in Table 3.

Table 3: Convergent Validity				
	Mean	**Std. Dev.**	**Reliability**	**Variance**
Transformational Leadership	3.52	0.42	0.85	78%
Employee Engagement	3.42	0.46	0.88	79%
Employees Performance	3.45	0.44	0.79	75%
Self-Efficacy	3.59	0.44	0.69	73%
Organizational Commitment	3.41	0.58	0.9	71%
Job Satisfaction	2.47	0.81	0.8	67%
Employee Creativity	3.35	0.33	0.84	77%

Table 3 shows that the reliability and variance explained for all the constructs are greater than 0.70 and 0.60 respectively. This suggests that all the adopted constructs are different.

Discriminant Validity:

Discriminant validity examines whether the variables are distinctive and unique (Bryman and Bell, 2015). The results are presented in Table 4.

Table 4: Discriminant Validity							
	TL	**EP**	**EE**	**SE**	**OC**	**JS**	**EC**
Transform. Leadership	0.87						
Employee Performance	0.84	0.81					
Employee Engagement	0.55	0.79	0.80				
Self-Efficacy	0.51	0.52	0.83	0.82			
Org. Commitment	0.33	0.48	0.49	0.81	0.79		
Job Satisfaction	0.29	0.28	0.41	0.45	0.45	0.77	
Employee Creativity	0.01	0.17	-0.26	0.93	0.93	0.73	0.71

Table 4 shows that the square root of variance explained is greater than the square of each correlation value. This suggests that the constructs used in the study are distinctive and unique (Bryman & Bell, 2015).

Transformational leadership and Employee Performance

The hypothesis that transformational leadership has a positive effect on employee performance was examined through simple regression. The results are presented in Table5.

Table 5: Regression Results					
	Unstandardized Coefficient		Standardized Coefficient		
Model	B	Std.Error	Beta	T	Sig
Constant	0.831	0.253		3.121	0.002
Trans. Leadership	0.843	0.071	0.739	10.296	0.000

Dependent Variable: Employee Performance. R^2= 0.575, F-stat = 106.007, P< 0.05.

The regression results in Table 5 suggest that transformational leadership has a positive and statistically significant effect on employee performance.

Transformational Leadership and Employee Engagement

The hypothesis that transformational leadership has a positive effect on employee engagement was examined through simple regression. The results are presented in Table 6.

Table 6: Regression Results					
	Unstandardized Coefficient		Standardized Coefficient		
Model	B	Std. Error	Beta	T	Sig
(Constant)	0.891	0.218		3.481	0.003
Trans. Leadership	0.862	0.036	0.721	9.973	0.001

Dependent Variable: Employee Engagement. R^2 = 0.61, F-stat = 99.460, P < 0.05.

The regression results in Table 6 suggest that transformational leadership has a positive and statistically significant effect on employee engagement.

Transformational Leadership and Self-Efficacy

The hypothesis that transformational leadership has a positive effect on self-efficacy was examined through simple regression. The results are presented in Table 7.

Table 7: Regression Results					
	Unstandardized Coefficient		Standardized Coefficient		
Model	**B**	**Std. Error**	**Beta**	**T**	**Sig**
1 (Constant)	1.71	0.53		3.1	0.02
Trans. Leadership	0.14	0.14	0.09	1.018	0.310

Dependent Variable: Self Efficacy. $R^2 = 0.10$, F-stat = 1.037, P > 0.05.

The regression results in Table 7 suggest that transformational leadership does not have a statistically significant influence on self-efficacy.

Transformational Leadership and Organizational Commitment

The hypothesis that transformational leadership has a positive effect on organizational commitment was examined through simple regression. The results are presented in Table 8.

Table 8: Regression Results					
	Unstandardized Coefficient		Standardized Coefficient		
Model	**B**	**Std.Error**	**Beta**	**T**	**Sig**
1 (Constant)	2.32	0.52		4.30	.000
Trans. Leadership	-0.013	0.12	-0.02	-0.09	.300

Dependent variable: Organizational Commitment. $R^2 = 0.001$, F-stat = 0.008, P > 0.05.

The regression results in Table 8 suggest that transformational leadership does not have a statistically significant influence on organizational commitment.

Transformational Leadership and Job Satisfaction

The hypothesis that transformational leadership has a positive effect on job satisfaction was examined through simple regression. The results are presented in Table 9.

Table 9: Regression Results					
	Unstandardized Coefficient		Standardized Coefficient		
Model	B	Std. Error	Beta	T	Sig
1 (Constant)	0.831	0.260		3.51	.003
Trans. Leadership	0.843	0.76	0.713	10.671	.000

Dependent variable: Job Satisfaction, $R^2 = 0.51$, F-stat = 113.870, $P < 0.05$.

The regression results in Table 9 suggest that transformational leadership has a positive and statistically significant effect on job satisfaction.

Transformational Leadership and Employee Creativity

The hypothesis that transformational leadership has a positive effect on employee creativity was examined through simple regression. The results are presented in Table 10.

Table 10: Regression Results					
	Unstandardized Coefficient		Standardized Coefficient		
Model	B	Std. Error	Beta	T	Sig
1 (Constant)	0.811	0.253		3.12	.002
Trans. Leadership	0.841	0.63	0.719	9.342	.000

Dependent variable: Employee Creativity. $R^2 = 0.524$, F-stat = 87.272, $P < 0.05$.

The regression results in Table 10 suggest that transformational leadership has a positive and statistically significant effect on employee creativity.

Discussion of Results

Transformational leadership and Employee Performance

The regression results in Table 5 suggests that transformational leadership has a positive and statistically significant effect on employee performance. Several studies have validated the effect of transformational leadership on employee performance. Many studies have linked transformational leadership with employee performance and also found that transformational leadership has a significant positive effect on trustworthiness. This indicates that employee performance improves with an increase in the of trust of leaders (Beauchamp et. al., 2010). Previous research has found that the transformational leadership style

has an inspirational effect on employees which enhances their self-efficacy and motivation level. It also enhances employee performance (DeRue & Wellman, 2009; Kelloway et al., 2017; Wang et al., 2016).

Transformational Leadership and Employee Engagement

The regression results in Table 6 suggest that transformational leadership has a positive and statistically significant effect on employee engagement. Several studies on transformational leadership have found that it has a positive effect on employee engagement (Crawford, Rich, Buckman, & Bergeron, 2014; Strom, Sears, & Kelly, 2014). Two aspects of transformational leadership, i.e. inspirational motivation and charisma also help in increasing employee engagement. Thus, inspirational leaders enhance employee engagement through motivational speeches, appreciation and stimulating teamwork (Kuhnert & Lewis, 1987; Washington et al., 2014). Employee engagement also increases when leaders encourage employees to solve the prevailing problems through creativity and innovation (Breevaart et al., 2014). As opposed to transformational leadership, transactional leadership tends to have a negative effect on employee engagement (Henker, Sonnentag, & Unger, 2015).

Transformational Leadership and Self-Efficacy

The regression results in Table 7 suggest that transformational leadership does not have a statistically significant influence on self-efficacy. This finding is not consistent with many previous studies. Prior research suggests that transformational leaders tend to give positive feedback to subordinates and promote optimism. As a result they enhance employee commitment to achieve organizational goals (Tims, Bakker, & Xanthopoulou, 2011). Studies have found that Pygmalion helps in enhancing self–efficacy. Pygmalion also promotes learning and positive expectations (Celuch, Kasouf, & Strieter, 2015). Leaders with charisma emphasize on channeling efforts which leads to an increase in self-worth and self-efficacy (Mittal & Dhar, 2015). Higher self-worth also leads to self-efficacy and a sense of moral correctness. They also help in building employee strength and confidence (Caillier, 2016). Studies have found that transformational leaders have a capacity to influence and enhance self-efficacy and self-belief.

Transformational Leadership and Organizational Commitment

The regression results in Table 8 suggest that transformational leadership does not have a statistically significant influence on organizational commitment. This finding is not consistent with many previous studies. Prior research suggests that transformational leaders promote employee development through inspiration and organizational commitment (Avolio, Zhu, Koh, & Bhatia, 2004) A study carried out in 90 Singaporean schools had found that

transformational leadership has a significant relationship with job satisfaction and organizational commitment (Ross & Gray, 2006). Organizational commitment is also reflected by the level of employee involvement in an organization. Prior studies have found that organizational commitment can be increased through transformational leadership (De Moura, Abrams, Retter, Gunnarsdottir, & Ando, 2009). Transformational leaders also play a significant role in increasing employee commitment. Employee commitment is achieved by encouraging employees to think creatively and critically. For example, employee commitment can be enhanced through appreciation, recognition and involvement in decision making. All such activities are geared towards employee development (Avolio & Gardner, 2005).

Transformational Leadership and Job Satisfaction

The regression results in Table 9 suggests that transformational leadership has a positive and statistically significant effect on job satisfaction. Many studies have examined how job satisfaction is affected by leadership styles (Elkins & Keller, 2003). Organizations that are flexible and encourage participative management tend to have a highly satisfied workforce (McKinnon, Harrison, Chow, & Wu, 2003). Studies have observed that transformational leadership qualities have a significant relationship with job satisfaction and commitment. The relationship between transformational leadership and job satisfaction has been examined across many industries and organizational settings (Elkins and Keller, 2003). It has also been observed that the transformational leadership training program had significantly improved employee perception of leaders (Kelloway, Barling, & Helleur, 2000; Aydin et al, 2013).

Transformational Leadership and Employee Creativity

The regression results in Table 10 suggests that transformational leadership has a positive and statistically significant effect on employee creativity. Transformational leadership not only plays a significant role in inspiring followers but it also promotes creativity (Chang & Lee, 2007). Transformational leadership and creativity have some common determinants including vision, support for innovation and recognition (Elkins & Keller, 2003). Self-efficacy also leads to creativity. Since transformational leaders create self-efficacy, they are also promoting creativity through self-efficacy. Studies have found that employees with a high level of self-efficacy often generate new ideas and solutions (De Jesus et al., 2013). In addition, emotional bonds created through transformational leadership also promotes creativity.

Conclusion

The study examined the relationship between transformational leadership and employee attributes such as employee performance, employee engagement, self-efficacy, organizational commitment, job satisfaction and employee creativity. The results indicate that transformational leadership does not have a statistically significant influence on self-efficacy and organizational commitment. On the contrary, transformational leadership has a sta-

tistically significant and positive effect on employee performance, employee engagement, job satisfaction and creativity.

Limitations and Future Research

This study has adopted a quantitative approach. Future studies may adopt a mixed methodology to examine the issue. Moreover, studies can also examine the role of transformational leadership after including demographic factors. While this study was restricted to the banking sector in Karachi, future studies may explore other industries operating within the Pakistani economy. In addition, the role of culture in transformational leadership may also be examined.

Appendix

Questionnaire

Scale: 1 being strong disagreement and 5 being strong agreement

Transformational Leadership

1.	Instills pride in me for being associated with him/her	5	4	3	2	1
2.	Talks optimistically about the future	5	4	3	2	1
3.	Provides me with assistance in exchange for my efforts	5	4	3	2	1
4.	Keeps track of all mistakes	5	4	3	2	1
5.	Avoids getting involved when important issues arise	5	4	3	2	1

Employee Engagement

1.	I have received recognition for doing my job well.	5	4	3	2	1
2.	My supervisor seems concerned about my welfare.	5	4	3	2	1
3.	The mission of the agency makes me feel like the work I do matters.	5	4	3	2	1
4.	I have friends at work.	5	4	3	2	1
5.	While on the job, my ideas and opinions are taken seriously.	5	4	3	2	1
6.	The materials, tools and equipment that I need to do my job are supplied by the agency and made readily available to me	5	4	3	2	1
7.	The people I work with do a good job.	5	4	3	2	1
8.	I will still be employed here two years from now.	5	4	3	2	1

Self-Efficacy

1.	I sometimes avoid difficult tasks.	5	4	3	2	1
2.	I am a very determined person.	5	4	3	2	1
3.	Once I set my mind to a task almost nothing can stop me.	5	4	3	2	1
4.	I have a lot of self-confidence.	5	4	3	2	1
5.	I am at my best when I am really challenged.	5	4	3	2	1
6.	I believe that it is shameful to give up something I started.	5	4	3	2	1
7.	Sometimes things just don't seem worth the effort.	5	4	3	2	1
8.	I find it difficult to take risks.	5	4	3	2	1

Organizational Commitment

1.	It would be very hard for me to leave my department right now, even if I wanted to	5	4	3	2	1
2.	I would be very happy to spend the rest of my career with this department	5	4	3	2	1
3.	I really feel as if this department's problems are my own	5	4	3	2	1
4.	Right now, staying with my department is a matter of necessity as much as desire	5	4	3	2	1
5.	I do not feel a strong sense of "belonging" to my department	5	4	3	2	1
6.	I feel that I have too few options to consider leaving this department	5	4	3	2	1
7.	I do not feel "emotionally attached" to this department	5	4	3	2	1
8.	I do not feel like "part of the family" at my department	5	4	3	2	1

Job Satisfaction

1.	I am proud to work for this Bank	5	4	3	2	1
2.	I know what this bank expects from me	5	4	3	2	1
3.	I am satisfied with the amount of feedback I receive about my work	5	4	3	2	1
4.	I receive enough training to handle my tasks	5	4	3	2	1
5.	I plan on working here a long time	5	4	3	2	1
6.	I am satisfied with the co-operation between functions in my bank	5	4	3	2	1
7.	Internal communication is effective at our bank	5	4	3	2	1
8.	I understand how my function's processes work.	5	4	3	2	1

Employee Creativity

1.	I am a creative problem-solver	5	4	3	2	1
2.	I use my creative abilities when faced with challenges.	5	4	3	2	1
3.	I take risks with my ideas.	5	4	3	2	1
4.	I am comfortable with others critiquing my ideas	5	4	3	2	1
5.	I always think of new ways to do things	5	4	3	2	1
6.	It is easy for me think of many ideas when looking for an answer to a question.	5	4	3	2	1
7.	I tend to do things that are unusual for most people.	5	4	3	2	1
8.	I always stand out in a crowd.	5	4	3	2	1

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