# UNIVERSITY OF CAPE COAST

RELATIONAL LEADERSHIP AND EMPLOYEE RETENTION: THE ROLE OF JOB SATISFACTION AND EMPLOYEE PARTICIPATION OF COMMERCIAL BANKS IN THE ACCRA METROPOLIS

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Dissertation submitted to the Department of Management of the School of

Business, University of Cape Coast in partial fulfilment of the requirements for
the award of Master of Business Administration degree in Management

#### **DECLARATION**

### **Candidate's Declaration**

**Supervisor's Declaration** 

I hereby declare that the preparation and presentation of the dissertation were supervised in accordance with the guidelines on the supervision of dissertation laid down by the University of Cape Coast.

Name: Professor Abraham Ansong

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#### **ABSTRACT**

The study examined the influence of relational leadership on employee retention by assessing the mediating role of job satisfaction and employee participation of commercial banks in the Accra Metropolis. Specifically, the objectives were to; determine the effect of relational leadership on employee retention; analyse the effect of relational leadership on job satisfaction; determine the effect of relational leadership on employee participation; determine the effect of job satisfaction on employee retention; examine the effect of employee participation on employee retention; examine the mediation role of job satisfaction on the nexus between relational leadership on employee retention; and assess the mediation role of employee participation of the link between relational leadership on employee retention. The study used the positive philosophy which adopts the quantitative approach to research and eventually, applied the explanatory research design. Using responses from 950 employees of commercial banks in the Accra Metropolis, 271 were sampled. In all, using the simple random technique, 271 valid responses were obtained, thus a 98.9% response rate. The partially least square structural equation modeling was employed to analyze the data and test hypotheses. The study found that relational leadership has a positive significant effect on job satisfaction and employee participation. Also, relational leadership and job satisfaction are significant predictors of employee retention. Again, the findings also revealed that job satisfaction partially mediates the relationship between relational leadership and employee retention of commercial banks. Moreover, it was established that employee participation does not influence

employee orientation, and also employee participation does not mediate the relation between relational leadership and employee retention. The study concluded that the management of commercial banks should involve themselves in maintaining better relationships with their employees. This can be done by providing employees with more empowerment, care and vision, including them in work related activities and decisions and treating them more ethically for enhanced employee retention.

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### **ACKNOWLEDGMENTS**

I would like to express our heartfelt gratitude to our supervisor Professor Abraham Ansong for her guidance and directions. I am also grateful to my mother, Prof. Josephine Sam-Tagoe, son, Joseph Ekow Donkor Junior. Again, I am grateful to Nancy, Winifred and Hector and colleagues at home who encouraged me to finish this program.

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# **DEDICATION**

To my husband, daughter and friends who supported me



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SPSS Statistical Package for Social Sciences

ER Employee Retention

RL Relational Leadership

JS Job Satisfaction

EP Employee Participation

#### CHAPTER ONE

#### INTRODUCTION

Employee retention plays very important role in building and sustaining the reputation of commercial banks because it can uplift the organisation's image, enhance employee participation and increases job satisfaction (Bharadwaj, Khan & Yameen, 2022). Increased employee participation and job satisfaction are believed to reduce attrition and improve organisational effectiveness (Inuwa, 2016). Most particularly, the accomplishments or issues experienced by the commercial banks are contingent to the leadership style adopted (Araya, 2019). It is required that commercial banks, endeavour to deploy relational leadership style to enhance employee retention of their firms or institutions. This study investigates the influence of relational leadership on employee retention by assessing the mediating role of job satisfaction and employee participation of commercial banks in the Accra Metropolis. The chapter focuses on the background to the study, statement of the problem, research objectives and questions. The chapter ends with the significance and the organisation of the study.

# **Background to the Study**

The success of every organisation depends on the active commitment of its employees, as no organisation can survive without employees to carry out its objectives and activities. The kind of leadership practiced in organisations has effect on the retention of employees. Rao, Sahyaja, Akhil and Narasimha (2018) emphasized that the role of leadership is very important for achieving employee

retention. They are expected to provide suitable work environment, compensation and promote efficient communication in order to enhance job satisfaction and employee participation and hence motivating employees to remain in the organization (Sareen & Agarwal, 2016).

The overtime evolution in leadership approaches continued and has led most of the present studies to redesign the leadership's theoretical basis (Eva *et al.*, 2019). Along with other leadership approaches, relational leadership is also among such emerging approaches (e.g. ethical leadership) presented by Uhl-Bien (2006) that has seized the interest of researchers in recent years. It can also be defined by the theory of identity to seize the leader phenomenon. Most of the present theories of leadership are focusing on the understanding and assessing the leadership process, but the theory of relational leadership goes even further by proclaiming that the capacity of individuals to influence others is due to the social dynamism. Currently, the theories of leadership dominated prior industrial era, are heavily dependent on relationship of trust among employees and leaders (Akram *et al.*, 2016). Therefore, the importance of relationships in organizational context cannot be overlooked and underestimated.

One can argue that the relation-based leadership is not a new concept in the leadership literature; however, the fact is that relational leadership is comparatively a new theory in the leadership literature (Uhl-Bien, 2006) hence; it provides enough grounds to investigate this concept further. Uhl-Bien (2006) defined the relational leadership as a relational and ethical process of people who are collectively attempting to accomplish positive change. In addition to this,

Komvies et al. (1998) defined relational leadership as a relational process of people working together to accomplish change or to make a difference that will benefit the common good.

However, in another study Komives et al. (2013) defined relational leadership model and stated that "relationships are the connective tissue of the organization and over time, these new relationships, built on trust and integrity, become the glue that holds us together. Specifically, the base of relational leadership is positive psychology that helps individuals to connect themselves to others and to their leaders.

To Komvies et al. (1998), the elements of relational leadership include purposeful, process- oriented, inclusive, empowering and ethical. Regan and Brooks (1995) proclaimed that vision, collaboration, care, intuition and courage are the elements of relational leadership (Carifio, 2010). However, in modern day study, based on the study of Carifio (2010), inclusive, empowering, caring, ethical and providing shared vision are manifested as the elements of relational leadership. Therefore, according to this study, relational leadership is inclusive, empowering, caring, provides vision and is ethical.

It is inclusive because it includes all members by being open to dissimilarities and by showing that everyone is valuable (Komives et al., 1998), it is empowering because it provides employees the sense that their contribution is valuable and they have the right to take initiative if they need (Komives et al., 1998). Further, relational leadership is caring because it does not overlook the human element of its members (Regan & Brooks, 1995), it provides vision

because it provides employees hope for future and also an ability to make commitment and establishing individual and group goals (Regan & Brooks, 1995). Finally, it is ethical because it is based on positive values, good will, integrity and moral commitment for both the followers and the leadership (Komives et al., 1998).

Employee retention is one of the critical challenges that most organisations are facing in this present age (Das & Baruah, 2013). Most organisations through their employment processes do their possible best to attract and retain quality employees for the business. The leadership style practiced by leaders has a significant influence in retaining employees in the organisation (Sareen & Agarwal, 2016). Satisfied employees are less likely to search for other jobs and that will help companies to save money and time in searching and training of new people for vacant positions on regular basis. Leaders who adopt relational form of leadership focus on organizing, supporting and contributing to the developments of employees (Rüzgar, 2018). The ability of the leader to provide supporting ideas, show trust and credibility, act friendly and seek to understand employees' issues, provide an environment for employees to participate in the organisational activities encourage employee retention (Elwell & Elikofer, 2015).

Relational leaders have an important stake in employee's development by organizing, supporting and contributing to employee job satisfaction (Eliyana & Ma'arif, 2019). Relational leaders value their relationship with employees and provide an environment where these employees can express their dissatisfaction

to them and offer possible ways by which this can be improved. Consideration behaviour under relational leadership focuses on maintaining close relationship and group cohesion among employees. The consideration behaviour places emphasis on job satisfaction, mutual respect and trust (Specchia *et al.*, 2021).). Employees are willing to stay with any organisation as far as they feel satisfied with their job. This reduces the rate of employee turnover as they are less likely to search for other jobs.

Again, leaders play vital roles in affecting followers' feelings of self-worth and self-determination by making them participate in job-related activities (van Dierendonck & Driehuizen, 2015). The level of employee participation in an organization depends on the leadership style in the organization. The various types of leadership styles have different impact on participation of the employees (Drewniak *et al.*, 2020). Relational leadership is much focused on building and developing interpersonal relationship among followers (Setiawan *et al.*, 2021). In view of this, relational leaders consult or involve them in taking some vital decisions with regards to their followers' roles and responsibilities. Relational leaders encourage employees to be more participative which make employees feel more relevant and committed to their organisations (Muzigi, 2015). The participative environment enables employees to contribute their ideas towards the achievement of the organisational objectives which intends have effect on how they remain committed to their organisations (Bushiri, 2014).

#### **Statement of the Problem**

Employees in Ghana are increasingly moving from one business to another, particularly in the banking sector (Okyere-Kwakye, Nor, Assampong, & Awang, 2018). The expense of training and developing a new employee can be more than double the salary of the exiting employee. Among other costs, there is also an increased cost to the organisation when employees leave the organisation. These costs include the expenses of recruitment and training (Sutherland, 2000), decline in productivity, and lost time (Gustafson, 2002). It is evident that employee turnover is a costly phenomenon for organisations and should be avoided if possible. The dormant period used to finish the recruitment processes and the possible revenue decline that could occur when the position is vacant (Okyere-Kwakye et al., 2018) also contribute to the cost of the organisation.

According to a Comp data survey (2020), the banking and finance industry has 18.6 percent turnover rate, which is one of the highest among all industries. Shulka and Sinha (2013 p. 57-61) argued that, "whether there is a salary compensation or not, employees have a gigantic desire to opt for new ventures in need of better work environment and job satisfaction". In order to keep bright personnel and reduce employee turnover, companies should focus on improving workplace happiness through employee participation and job satisfaction (Hassan. 2019).

Employee turnover results in lower productivity since there is no time to teach the new employee who will take over the job, especially, when the industry is competitive. Employee turnover negatively affects customer relationship since customers form bonds with company personnel, and those who leave may cause customers to have reservations (Sattar & Almed, 2014). The skills and knowledge that employees accumulate while working for the organisation must be retained as it is important to the continuing success of any organisation (Dess and Shaw, 2001). Cowden, Cummings and Profetto Mcgrath (2011) in a study on leadership practices and staff nurses' intent to stay in their job found that, relational leadership practices influence staff nurses' intentions to remain in their current positions.

They concluded that incorporating relational leadership into management practices will influence nurse retention. Similarly, Naveed, Akhtar, Naveed and Khalid (2020) investigated the influence of relational compensation on employee retention in hospitality industry in Pakistan. Their results revealed that there is a strong relationship between relational compensation (recognition, status, employment security, training and challenging work) and employee retention.

What is missing in the extant literature is how relational leaders could influence employee retention in the banking industry. This study seeks to examine the mechanism through which such a relationship could be attained by employing job satisfaction and employee participation as mediators. These factors were picked as mediators because they improve employee retention. A worker who takes pleasure in his work would be content to work for the business. Unhappy workers are less loyal and are more willing to leave the organisation in quest of better opportunities (Lok & Crawford, 2004). Additionally, employee participation boosts retention since it gives the impression that the business is

utilizing employees' skills, appreciating their contributions, and rewarding their loyalty.

The central bank (the Bank of Ghana) and a variety of other banks, including commercial banks, development banks, merchant banks, and a profusion of rural unit banks, make up Ghana's official banking system. The Bank of Ghana, as the central bank, is in charge of carrying out monetary policy. Previously, state-owned institutions in Ghana's banking sector had complete control over it and little to no rivalry. But over the last 10 years, the government's Divestiture Implementation Program has privatized a few state-owned banks. Among the non-banking financial institutions are a stock exchange, insurance companies, the social security and national insurance trust, discount stores, building societies, venture capital firms, mutual funds, and leasing firms.

# **Purpose of the Study**

The goal of this study is to examine how relational leadership through job satisfaction and employee participation influence employee retention in an organisation.

# **Objectives** of the Study

The broad objective of the study is to examine the influence of relational leadership on employee retention by assessing the mediating role of job satisfaction and employee participation of commercial banks in the Accra Metropolis. The specific objectives are to:

- 1. determine the effect of relational leadership on employee retention.
- 2. analyse the effect of relational leadership on job satisfaction.

- 3. determine the effect of relational leadership on employee participation.
- 4. determine the effect of job satisfaction on employee retention.
- 5. examine the effect of employee participation on employee retention.
- 6. examine the mediation role of job satisfaction on the nexus between relational leadership on employee retention.
- 7. assess the mediation role of employee participation of the link between relational leadership on employee retention.

# **Research Hypothesis**

Hi: Relational leadership has a positive and significant relationship with employee retention.

H2: Relational leadership has a significant positive nexus with job satisfaction

H3: Relational leadership has a significant positive relationship with employee participation.

H4: Job satisfaction has a positive and significant nexus with employee retention.

H<sub>5</sub>: Employee participation has a positive and significant relationship with employee retention.

H<sub>6</sub>: Job satisfaction mediate the relationship between relational leadership and employee retention.

H<sub>7</sub>: Employee participation mediate the relationship between relational leadership and employee retention.

# **Significance of the Study**

The high-level of employee turnover in most organisations coupled with reduction in organisation performance would be reduced as most organisation would appreciate the need to practice relational leadership as well as providing the needed decision-making environment for employees to be involved in the decision-making process of the organisation. The findings from this study would help organisations as to how best to get employees satisfied on the job and maintaining their staff for a long period of time thereby reducing voluntary turnover and stay in competition.

### **Delimitation of the Study**

The research focuses on the financial institution in the economy of Ghana mainly the banks in Accra. The scope of this study is limited to the Ghanaian economy and more specifically to individuals who are employed. Since they are exposed to the organisation and have knowledge about what goes on and what their expectations are as compared to students and the unemployed who have limited knowledge on the conditions of service in the various organisations. The study will make use of quantitative data from twenty-four (24) Commercial Banks in Accra for its analysis.

#### Limitations

The identified limitation of the study was the use of only banks to assess the impact of relational leadership on employee retention. This may not accurately reflect the views of the entire population. Also, people's resistance to sharing

accurate information as well as the spread of Covid-19 and others would be a challenge.

#### **Definition of Terms**

**Leadership**: it is a relationship through which one person influences the behavior or actions of other people.

**Relational Leadership**: emphasizes building relationships in the workplace and using those relationships to work toward a common goal.

**Employee Retention**: Retention of human resources refers to the attempts to ensure that employees stay in the organisation and that voluntary turnover is minimized.

**Job Satisfaction**: Locke (1976) defined job satisfaction as assessment of one's job or job experience that leads to positive emotional state.

**Employee Participation**: is the process by which employees are involved in decision making processes, rather than simply acting on orders.

### **Organisation of the Study**

The study is divided into five chapters. Chapter one of the study encompasses the background of the study, statement of the problem, purpose of the study, the objectives of the study, research questions, hypothesis, significance, delimitations, limitations and organisation of the study. Chapter two reviews existing related literature regarding relational leadership, employee retention, employee participation and job satisfaction to obtain detailed knowledge on the topic. The chapter as well presents the concepts and the conceptual framework of the study. Chapter three describes the methods and procedures employed in the

study to achieve the research objectives. It includes the research design, the population, sample and sampling procedures, research instruments, data collection, presentation, and analysis procedures. Chapter four presents the analysis of the data and discussions of the results. Finally, chapter five will cover the summary of the findings, study conclusions, suggestion and future research recommendations.

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#### **CHAPTER TWO**

#### LITERATURE REVIEW

#### Introduction

The chapter opens a discussion on the relevant theories that underpin the study and have been adopted in extant literature to expand knowledge in the field. The chapter further reviewed the concepts such as relational leadership, job satisfaction, employee participation, employee retention and related concepts. The chapter also covers an empirical review of studies done on the variables whiles presenting the direction of the study on the conceptual framework to aid readability and understanding.

#### Theoretical review

Leadership is the process by which employees are supported, corrected and influence to achieve the objectives of the organization (Armstrong, 2002). This means the purpose of leadership is to steer the direction of a group towards the achievement of some set goals and objective. Therefore, leaders bare a lot of blame whenever the objective of the organization lags behind. Leaders act as facilitators who harness potentials in employees into reality for the benefit of the organization. McGowan and Miller (2004) posit that leadership is concerned with both the leaders themselves and their subordinates and other leaders in various position in the same organization. Therefore, leadership has been thought of as an interdependent activity (McGowan and Miller). However, Vroom (1979) refers to the behaviour of leaders in discharging their duties as the leadership styles adopted, and this, can either motivate or demotivated the employee. The above

discussion suggests that leadership serves as the fulcrum around which and organization revolve. stressing on this, Obiwuru, Okwu, Akpa and Nwankwere (2011) comments that leadership enhances interest in the organization, for both owners and employees of the organization. Mills (2005) adds to this by asserting that in times of danger, effective leadership is expected to help the nation as well as business organizations. Relational leadership in an organization is supported by several ideas. These hypotheses serve as the foundation for this study. The leadermember Exchange theory (LMX), Hollander's relational theory, Charismatic Relationship theory and Relational and collective self theory were the theories employed in the study.

# The Leader-Member Exchange Theory (LMX)

According to Gerstner and Day (1997), Graen et al. (1982), Graen and Uhl-Bien (1995), and Liden et al. (1997), the leader-member exchange (LMX) idea is the most popular relationship-based strategy. The main idea of the LMX theory, according to Graen & Uhl-Bien (1995), is that leadership happens when leaders and followers are able to establish powerful partnerships that result in incremental influence (i.e., leadership; see Katz & Kahn, 1978) and enable them to take advantage of the numerous advantages these partnerships bring (Gerstner & Day, 1997). The theory explains how productive working relationships between coworkers-such as leaders and members, teammates, and peers-develop to create bases of leadership influence (Graen & Uhl-Bien, 1991; Graen & Uhl-Bien, 1995), as well as highlights the advantages of these working relationships for organizational outcomes (Gerstner & Day,1997).

LMX is an entity perspective since it emphasizes the traits and actions of people as they interact with one another (Dachler & Hosking, 1995). According to Uhl-Bien et al. (2000), the process of developing a connection starts with two people having an interaction or exchange sequence (a series of interactions). The following factors affect how these encounters will turn out:

First and foremost, it depends on the traits that each person brings to the relationship, such as their unique personal, physical, and psychological makeup, which is largely stable and predisposes people to approach social situations in a particular way (Phillips & Bedeian, 1994). The second factor is the participants' expectations of the exchange, which are formed based on prior interactions, outside knowledge of the other, and implicit leadership theories or "schemas" (Lord & Maher, 1991). Thirdly, it depends on their evaluation of and response to the exchange both in the moment and afterwards (Blau, 1964; Homans, 1961; Jacobs, 1971; Uhl-Bien et al., 2000).

According to Dachler and Hosking (1995), this is an entity perspective and a "subject-object" explanation of relationships: "When a person is perceived as a knowing individual, they are being seen as a subject that can be distinguished from natural objects. Relationships are exclusively regarded from the perspective of the entity (the individual) considered to be the subject in that relationship. The latter implicitly are treated as passive, as knowable and controllable only by the subject" (Dachler & Hosking, 1995).

LMX theory highlights the significance of personalized interactions between leaders and followers. The theory suggests that by acknowledging the

uniqueness of each relationship, there is the need for leaders to tailor their leadership styles to individual team members. This individualized approach recognizes diverse needs, strengths, and aspirations within the team, contributing to higher job satisfaction and increased employee participation. Leader-Member Exchange theory holds considerable relevance in understanding the intricacies of leader-follower relationships within organizations.

Its insights extend beyond individual interactions to impact organizational justice, team dynamics, and overall workplace culture and this will lead to employee job satisfaction which will in turn improve the retention level of employees. Accordingly, Jasmine (2023) emphasized that as organizations navigate the complexities of a dynamic workforce, the principles of LMX provide valuable guidance for leaders seeking to cultivate positive relationships and foster a thriving and collaborative work environment that will improve employee retention. Thus, this theory is essential to this study as it helps to explain relationships among the relational leadership, job satisfaction and employee retention of commercial banks.

# **Hollander's Relational Theory**

Hollander (1964) and others offer another well-known relationship-based leadership strategy (Hollander, 1978). One of the first researchers, Hollander (Hollander,1958), emphasized leadership as a relational activity, a two-way influence and social exchange interaction between leaders and followers (Hollander, 1979). Leadership, according to Hollander & Julian (1969), is a process involving an influence relationship, the leader is one of several

participants in this relationship, and there are "transactions" between leaders and followers, the foundation of which is the conviction that rewards will be received for benefits provided (Homans, 1974; Jacobs, 1971).

The entity approach used in Hollander's model is relational and focused on process, but it views this process from the perspective of persons. For instance, under the idiosyncrasy credit (IC) model of innovative leadership, leaders are granted discretion for innovative conduct in a "credit-building" process that is dependent on the followers' opinions of the leader's competency and loyal actions that foster follower trust in the leader (Hollander, 1958; Hollander,1979; Hollander,1992). Additionally, Hollander (1995) asserts that leadership is "a shared experience, a voyage through time," and that the leader is not the only voyager. However, he also asserts that "a major component of the leader-follower relationship is the leader's perception of himself or herself relative to followers, and how they in turn perceive the leader".

The theory underscores that leadership is not a one-way street but rather a dynamic process where leaders and followers influence each other. This understanding is crucial in contemporary organizations where hierarchical structures are often flatter, and collaboration is emphasized. Relational leadership recognizes the importance of mutual influence, fostering an environment where ideas can flow freely, and decisions can be made collaboratively. The theory aligns with the growing recognition of the leader as a facilitator of relationships rather than a mere authority figure. In today's interconnected and fast-paced business environment, leaders need to be adept at building and maintaining

positive relationships with diverse stakeholders. The theory's emphasis on the leader as a social architect resonates with the need for leaders to shape and nurture a network of relationships that extends beyond the immediate team to include peers, superiors, and external partners.

The theory's relevance is also evident in its consideration of the contextual nature of leadership. It recognizes that effective leadership is contingent upon the specific social and organizational context. This adaptability is crucial in a dynamic business environment where factors such as culture, industry trends, and organizational structure constantly evolve. Relational leadership encourages leaders to be contextually intelligent, understanding and responding to the unique needs and challenges of their particular organizational setting. Again, the theory has implications for employee participation and job satisfaction. By acknowledging the importance of positive leader-follower relationships, the theory suggests that organizations can enhance employee well-being by fostering a supportive and inclusive leadership culture. This is particularly relevant in the context of the modern workplace, where the emphasis on employee experience and well-being is recognized as a driver of organizational success.

### Charismatic Relationship Theory

Regarding charisma as a social bond between leaders and followers, a third entity perspective of relationship-based leadership is presented (Howell & Shamir, 2005; Jermier, 1993; Kark &Shamir, 2002; Klein & House, 1995; Shamir, 1991; Weierter, 1997).Beginning with the characteristics of followers that cause them to identify with and respond to charismatic leaders (Klein & House,

1995; Shamir et al., 1993). It advanced to a discussion of the interactions that support the perception of the leader as charismatic. For instance, Weierter (1997) argued that objective social dynamics define and establish the potential for charismatic connections as well as offer the setting in which subjective relationships are feasible.

According to his theory, different follower traits, such as self-awareness and self-concept clarity, define the role of one's own charisma and the charismatic message of the leader in various charismatic relationships, such as socialized, personalized, and social contagion, and have an impact on how much the relationship is preserved or recreated. Howell and Shamir (2005) expand on Weierter (1997) and others' work by combining self-identity theory with the socialized and personalized charismatic connections to make claims about how followers' self-concepts affect the kind of relationship they create with the leader. They take into account how followers may influence many aspects of the charismatic relationship process, such as vulnerability to charismatic leadership, reactions to charismatic influence, the leader's empowerment, and the relationship's outcomes.

The Charismatic Relationship Theory is relevant to this study as it addresses the emotional and motivational aspects of leadership. Charismatic leaders are known for their ability to connect with followers on an emotional level, creating a sense of belonging and loyalty. In an organizational setting, this emotional connection can contribute to increased employee participation and job satisfaction. By cultivating positive emotional bonds, charismatic leaders can

foster a supportive and cohesive work environment, which, in turn, positively influences individual and collective performance and thereby making employees stay in the organisation.

### **Relational and Collective Self-Theory**

Several scholars like Hogg (2001) Lord et al. (1999) Shamir et al., (1993) van Knippenberg et al. (2004) have explored social cognition and identity to leadership, a viewpoint comparable to the one just outlined is presented. This research focuses on social self-concept, or how much people describe themselves in terms of how they relate to others (Andersen & Chen, 2002; Brewer & Gardner, 1996; Lord et al., 1999). There are two unique constructs under social self-concept: relational self, which results from connections with important persons, and collective self, which is founded on identity with a group or social category.

Relational and Collective Self-Theory emphasized that individuals define themselves in relation to others and their social context. In an organizational context, this perspective highlights the importance of recognizing and leveraging social interdependencies. Leaders, therefore, can benefit from understanding the relational nature of identity within teams and fostering a collaborative environment that acknowledges and values these interconnections in order to improve employee retention. The theory suggests that Leaders who recognize the importance of collective identity are more likely to adopt transformational or relational leadership approaches, focusing on the development and well-being of their team members. This relational leadership style, which emphasizes

collaboration and shared goals, aligns with the principles of the theory and has been associated with higher levels of employee satisfaction and commitment

#### **Relational Self**

The relational self, according to Brewer and Gardner (1996), is the self-concept developed from ties to and role relationships with significant persons on an interpersonal level. It is described in terms of interactions with individuals in certain contexts-the idea that one's sense of self is derived from the reactions and satisfaction of the other person in the relationship. Being confident that one is acting respectably and appropriately toward others gives one a sense of self-worth (Brewer & Gardner, 1996). The concept is expanded upon by Andersen and Chen (2002), who state that the self is "relational-or even intertwined" with significant individuals, which "has ramifications for self-definition, self-evaluation, self-regulation, and most broadly, for personality functioning, manifested in connection to others".

According to Andersen and Chen (2002), an individual's entire repertoire of relational selves originates from all of his or her relationships and is a significant source of the interpersonal patterns that person experiences and acts out throughout regular interpersonal interactions. Each person has a relational self, or "significant-other representation," which is an embodiment of the distinct self they perceive in relation to specific significant persons. When a significant-other representation is active, the relevant relational self is also activated. This triggers a "transference" of the significant-other representation to the person who

did it by infusing the working self-concept with knowledge that reflects the self in connection to the important other (Andersen & Chen, 2002).

According to Ritter & Lord, Bryson, J. M. (2018) calls for more research on relational self-construal, or the extended sense of self that depends on role interactions with the leader (2006). These type of relational self-construal "makes mutual advantage and mutual interest more salient and motivates the individual to take the other's interest to heart" (VanKnippenberg et al., 2004). According to Uhl-Bien and Maslyn (2003), relational leadership variables of relevance can include (Boyd & Taylor 1998), evaluations, and motivations (self-interest versus other-interest) (i.e., whether feedback is reinforcing of relational self-worth or disconfirming, Lord et al., 1999).

Furthermore, Van Knippenberg et al. (2004) contend that followers' sense of personal identification with the leader may encourage loyalty to the leader and make them perceive the leader's interests as shared interests, increasing the efficacy of the leadership. As an alternative to the role-making (Graen & Scandura, 1987) or social exchange (Liden et al., 1997; Uhl-Bien et al., 2000) explanations currently provided by LMX theory, relational self-construal may potentially play a part in relational leadership processes.

#### Collective Self

Collective social identities do not require personal interactions among members, in contrast to relational self-identities, which arise from relationships with significant persons (Brewer & Gardner, 1996). In contrast, they result from affiliation with a group, an institution, or a social class. Identification implies "a

psychological 'merging' of self and group that causes individuals to regard the self as comparable to other collective members, to attach collective-defining features to the self, and to take the collective's interest to heart" at the collective level (van Knippenberg et al., 2004).

According to Turner, Hogg, Oakes, Reicher, and Wetherell (1987), as cited in Brewer and Gardner (1996), this leads to a "depersonalized" sense of self, "a shift towards the perception of self as an interchangeable exemplar of some social category and away from the perception of self as a unique person." The cognitive mechanisms that support and foster the group's overall welfare are crucial at this level (Lord et al., 1999).

Hogg (2001) created what he dubbed a "Social Identity Theory of Leadership" using the idea of the collective self. He provides a theory of leadership as a "relational quality" within a group, recognizing inadequacies in earlier theories that omit consideration of the influence of wider social systems in which individuals are embedded: "Leaders exist because of followers and followers exist because of leaders" (Hogg, 2001). He provides a model of leadership dynamics based on social identity cognitive processes of "self-categorization" and "depersonalization," taking into account that leader and follower are interdependent positions nested within a social system restricted by common group or category membership.

He specifically contends that group members' basic social cognitive processes, which lead them to-conceptualize themselves in terms of an ingroup (i.e., self-categorization or identification with an ingroup prototype), cognitively

and behaviorally assimilate themselves to the ingroup prototypical features (i.e., cognitive and behavioral depersonalization, which results in normative or stereotypical behavior), are the primary causes of leaders to emerge, maintain their position, and be effective (Hogg, 2001). The consequence is that if these social psychological processes produce leadership, then a person must exhibit the prototype or normative features of an in-group member in order to be effective as a leader.

Although collective identity and collective self may have sounded more like relational than entity perspectives in the preceding sentences, they are included here because the processes described are primarily thought to take place in the "minds" of the individuals involved in the collectivity rather than in the social dynamic. They seem more consistent with a constructivist (e.g., entity) than a constructionist (i.e., "relational") perspective in this regard. According to Bouwen and Hosking (2000), a social constructivist perspective holds that "internal" processes are understood to be influenced by social relations, whereas a social constructionist perspective places a greater emphasis on communication processes as the means through which the self and the outside world are continually being constructed.

### Conceptual review

# Leadership

Several scholars have defined leadership (Stogdill, 1974; Yukl & Van Fleet, 1992), and most of the time, researchers define leadership in terms of the characteristics and perceptions that most interest them. According to Stogdill

(1974), almost everyone who attempts to define this concept has their definition of leadership. Due to the intricacy of the leadership process, it is difficult to define leadership (Yukl &Van Flect, 1992). There are various ways to see leadership. which entails interaction between a leader and his followers (Jex & Britt, 2014). Leadership behavior is described as the process of securing resources for the team, planning tasks, inspiring team members, and assessing the team's output (Guzzo and Shea,1992).

Leadership may be viewed as a set of tasks that must be completed for the team to be successful. Team tasks must be communicated, resources must be gathered, team members' spirits must be lifted, and team members' output must be assessed (Jex & Britt, 2014). Although there are several definitions, it is feasible to find certain similarities among them all. A process that affects a task, aim, and strategy of an organization also affects team formation and maintenance, organizational culture, and people's ability to achieve goals and put strategies into practice (Yulk & Van Fleet, 1992). A more understandable definition comes from Vroom and Jago (2007) who described leadership as a process where individuals are inspired to work together to achieve great things.

Lunenburg (2012) adds that the process of motivating individuals and creating an atmosphere in which they may accomplish group or organizational goals is what it means to be a leader. He goes on to say that good leadership aids groups in defining their objectives and coming up with strategies for achieving them. They employ force and persuasion, in his opinion, to make sure that followers are inspired and understand their roles to accomplish the objectives.

According to Senge (1990), effective leadership is characterized by stimulants and incentives that encourage individuals to work toward shared goals. These definitions' shared components imply that leadership entails a social influence process in which an individual guides a group member toward a goal. The descriptions above make it clear that without leadership, there is a greater likelihood of mistakes occurring and fewer opportunities for achievement. Leadership also promotes cooperation, lessens disagreements, fosters creativity, and serves as a unifying force by keeping people together.

### **Relational Leadership**

According to Yahaya and Ebrahim (2016), relational leadership is a model of leadership that suggests the effectiveness of a leader and relates their ability to develop positive relationships within an organization. In the same vein, Chen,Zhu and Zhou (2015) view relational leadership as a relational process of people together attempting to accomplish change or make a difference to benefit the common good. Relational leadership relates to the process of people working together to achieve the greater good or accomplish a positive change in the workplace (Ragins & Dutton, 2017).

Relational leadership dimensions include inclusive, empowering, caring, ethical and vision and intuition (Carifio, 2010). Relational leaders use empathy skills to empower their teams to build strength in their current skills and develop new skills (Ospina, 2017). The goal for a relational leader is to instill professional growth in their employees through positive social development and growth to achieve a common goal. To Nicholson and Kurucz (2019), there are five elements

of relational leadership and it includes: ethics; purpose; inclusivity; process orientation and empowerment.

Relational leaders typically have deep moral values and ethical approaches to decision-making procedures (Cherkowski, Walker & Kutsyuruba, 2015). Relational leadership styles use ethics to shape leadership behaviors to ensure the leader exemplifies behaviors that can motivate their team members, allow team members to feel included and assist them with feeling trust amongst each other (Nicholson & Kurucz, 2019). A relational leader often leads by example and sets the baseline for how their coworkers behave in order to effectively reach their goal, Dietz et al.(2015) posited that a relational leader may identify the common goals, organize the objectives and help anticipate the outcome of these goals. An effective relational leader involves all team members in the process of visualizing an outcome, helping them feel a sense of importance, purpose and inclusivity.

Again, relational leader promotes inclusivity, especially where team member's ideas and opinions are concerned (Minehart et al., 2020). Busari et al. (2019) averred that relational leadership style uses all employee perspectives to identify what changes to make and considers all questions and concerns employees may have before implementing a change or decision. To Carnevale et al. (2017), an inclusive leader creates an environment where all team members can affect a business positively. The relational leader is the liaison that helps those team members make a difference. Moreover, an effective relational leader expresses that the process of achieving a goal is just as valuable as the outcome of achieving a goal (Amanchukwu, Stanley & Ololube, 2015).

Relational leadership style ensures all team members understand their roles, have a clear sense of purpose and know what tasks to complete in order to meet their goals (Ruben & Gigliotti, 2016). Furthermore, Jiang and Men (2017) concur that in order to be a successful relational leader, empower your employees to make their own decisions and openly communicate ideas and opinions. Thus, relational leaders should involve their employees in group decisions and allow them to feel empowered in the decision-making process. Giving employees this level of empowerment helps give them a sense that they are contributing to the greater good, which may increase their motivation and productivity in the workplace.

# **Employee Retention**

Before the 1970s and the early 1980s, the majority of people joined organizations and stayed for a very long period, sometimes for the duration of their working lives (Kalleberg, 2009). As a result, the idea of employee retention did not become common until this time. However, as work mobility and voluntary job changes started to rise sharply, businesses started to struggle with the issue of employee turnover, and a corresponding management strategy known as employee retention started to emerge.

Retention is a voluntary action taken by a company to foster an atmosphere that keeps people interested in their work over the long term (Kossivi, Xu & Kalgora, 2016). Human resource retention is the process of making an effort to keep workers in the company and reduce voluntary turnover (Jehanzeb & Mohanty, 2018). Retention's primary goal is to stop capable people from leaving

the company, as doing so could harm output and customer service (Lu,Lu, Gursoy & Neale, 2016). According to these authors, retention enables senior and line managers to efficiently recruit and retain key skills and high-performing personnel. Identification and retention of committed personnel for as long as it is advantageous to the organization and the employee should be the goal of retention policies.

### **Job Satisfaction**

Work plays a significant role in people's lives. It consumes a big portion of human existence, so it's critical that people are happy with it. A humanistic viewpoint would say that everyone deserves to be treated equally and with respect. Employees enjoy feeling valued and receiving fair treatment and respect. That shows the organization has been treated well. Typically, job satisfaction indicates whether or not people enjoy their jobs. An increase in productivity, quality, customer service, and responsiveness may result from job satisfaction (Kaplan & Norton, 1996).

The level of job satisfaction of the company's employees is very important because numerous factors might have an impact on both the employees and the organization (Ali & Anwar, 2021). Organizations are also dedicated to boosting employee satisfaction since they think it can result in higher performance, which impacts the organization's results (Yahaya & Ebrahim, 2016). The concept of job satisfaction has many different definitions. The most common definition of job satisfaction is from Locke (1976), who described it as an evaluation of one's work or work experience that results in a favorable emotional state.

# **Employee Participation**

Employee involvement is the practice of empowering workers to influence their working environment and working conditions by participating in choices that have an impact on their job (Strauss,2006). During this process, tasks are decided on collaboratively by employees and their managers. Businesses can lessen the hierarchical difference between employees and supervisors by sharing authority and influence, according to Pereira and Osburn's (2007) meta-analysis on employee engagement. There are both direct and indirect forms of employee participation such as employee representations, task distribution and consultation, shared ownership plans, and employee representations (Budd, Gollan & Wilkinson, 2010). Employee engagement initiatives promote just opportunities and rewards that boost workers' commitment and retention (Allen, 2015).

Participation in direct processes might be informal, formal, consultative, delegated, direct or indirect (Khalid & Nawab, 2018). This kind of employee involvement occurs as part of the real tasks associated with the job (Khalid & Nawab, 2018). It entails having the power to shape how the organizational structure in which the person works is designed or altered. This influence could take the form of consulting on more general and long-term organizational concerns. Each of these kinds has a different effect on organizational productivity and performance as well as worker retention, asserts Bhatti, Nawab, and Akbar (2011). On the one hand, empowering staff to actively participate in decision-making might help them solidify their views.

Indirect participation has formal, indirect, and moderate to low influence traits. Employees participate in indirect ways through their elected representatives in a governing council or the board of directors (Akkerman, Sluiter, & Jansen, 2015). Except for the fact that employees often have less influence, it is similar to employee ownership. Indirect types of participation include employee representation on joint consultation committees, work councils, and employee directors (or management committee members). In contrast to indirect participation, which entails interactions between employers and employees via representatives, direct employee involvement refers to interactions between employers and employees during the decision-making process (Akkerman et al., 2015).

# Relational Leadership and Employee Retention

Khalid, Pahi and Ahmed (2016) argued that relational leadership plays a major role in employee retention in any organization. Relational leaders possess a strong will to be involved in the life of subordinates. They demonstrate certain qualities including, hope, encourage, humility, integrity, vision and caring for other people coupled with interpersonal acceptance and trustworthiness (Van Dierendonck & Nuijten, 2011). Relational leaders relate with their followers with empathy and care and act in the best interest of employees makes them feel belonged, loved and cared for. Relational leadership is meant to bring out the best in subordinates and as such rely on one-on-one engagement with employees to understand their desires, abilities, needs potentials and goals (Mahembe & Engelbrecht, 2014).

Surprisingly, Enu-Kwesi, Koomson, Segbenya and Annan-Prah (2014) also argued that several factors affect employee retention in an organization. And in determining the factors of employee retention in the Ghanaian Commercial banks, came to a conclusion that relational leadership is one of the factors that affects employee retention. As employees feel belonged in the organization, they become responsible and exhibit the spirit of commitment in return for the humanistic concerns and care they receive from the leader. (Eva et al. 2019).

Ng 'ethe et al. (2012) also argued that the role of leaders and their relationship are crucial in employee retention. This assertion is on the premise that relational leaders either motivate or discourage employees, which in turn cause employees to remain or leave the organization. Beardwell and Claydon (2007) also argued that, employees leave managers and not the organization. The management of employees and their retention in the organization are largely dependent on the relationship between the leader and the followers (Albion & Gagliardi, 2007). Thus, the study hypothesized that;

H<sub>1</sub>: Relational leadership has a positive and significant relationship with employee retention.

# Relational Leadership and Job Satisfaction

Employee job satisfaction is an attitude that people have about their jobs and the organizations in which they perform these jobs (Judge et al., 2017). To Lu et al. (2016), job satisfaction is seen as an employee's affective reaction to a job, based on a comparison between actual outcomes and desired outcomes. Job satisfaction is generally recognized as a multifaceted construct that includes

employee feelings about a variety of both intrinsic and extrinsic job elements (Karanika-Murray et al., 2015).

It encompasses specific aspects of satisfaction related to pay, benefits, promotion, work conditions, supervision, organizational practices and relationships with co-workers (Misener et al., 1996). Numerous factors influence employee job satisfaction, including: salaries, fringe benefits, achievement, autonomy, recognition, communication, working conditions, job importance, co-workers, degree of professionalism, organizational climate, interpersonal relationships, working for a reputable agency, supervisory support, positive affectivity, job security, workplace flexibility, working within a team environment and genetic factors.

Among determinants of job satisfaction, leadership is viewed as an important predictor and plays a central role. Leadership is a management function, which is mostly directed towards people and social interaction, as well as the process of influencing people so that they will achieve the goals of the organization (Skansi, 2000). Numerous studies carried out in several countries showed that there is a positive correlation between leadership and job satisfaction in an organisation (Saleem, 2015; Alonderiene & Majauskaite, 2016; Al-Sada et al., 2017; Bernarto et al., 2020). Organisational success in obtaining its goals and objectives depends on managers and their leadership style. By using appropriate leadership styles, managers can affect employee job satisfaction, commitment and productivity.

With respect to the relationship of organizational leadership factors to employee empowerment, relational leadership has distinct and particular influences. For instance, relational leaders have a critical role in creating an organizational culture that promotes high levels of performance and effectiveness (Warrick, 2017). Relational leaders demonstrate a variety of behaviors, including care, tolerance, authorization, and fairness to subordinates (Meng & Berger, 2019). Researchers argued that these leadership behaviors are significant predictors of employee job satisfaction in that organizational leaders exercise their capacities to influence employees' level of empowerment since the greater the empowerment, the higher the job satisfaction (Hartnell et al., 2016). Thus, empowerment perceptions are associated with increased job satisfaction and work productivity and with a decreased propensity to leave an organization (Koberg, Boss, Wayne, Jason & Goodman, 1999). Hence, it is hypothesized that;

H<sub>2</sub>: Relational leadership has a significant positive nexus with job satisfaction

# **Rel**ational Leadership and Employee Participation

Employee participation demonstrates one's goodwill and dedication to work. The higher it is, the better readiness they have. In contrast, employee participation brings negative impacts on both staff and the organization (Kahn, 1990). Employee participation is a positive, fulfilling, work-related state of mind that is characterized by vigor, dedication, and absorption (Schaufeli et al., 2002a). There is some research showing evidence on work participation by psychological aspects, which proves that high participation reflects abundant energy, not pressure, in working. On contrary, weak employee participation comes from the

three-dimensional cause e.g., exhaustion, cynicism, and lack of accomplishment, respectively (Maslach & Leiter, 2008; Maslach et al., 2001).

The level of participation in work relates to a positive attitude and optimism while negative psychology underlies the exhaustion or loss of motivation in work (Schaufeli et al., 2002b). Most of the findings show psychological aspects of engagement. Good working spirit, strong commitment, and a high level of readiness even in the challenges are important elements for good performance (Xanthopoulou et al., 2011).

Employee participation is an important sign of satisfaction with the organization and leaders. As such, the level of participation has a close relation to work results. Staff appreciation of the working environment implies their trust and credit for the organization and leaders, dedication to the highest level of responsibility, and innovation (Eliyana et al., 2019). This proves that higher participation delivers higher productivity and effectiveness for the organization. Among leadership styles, the relational leadership style is the most attractive one to staff and their highest engagement work. Each staff is encouraged and motivated by the leaders themselves with their contributions, responsibility, and engagement (Hansbrough & Schyns, 2018). Employee participation does not only show increased prestige and influence of leaders but also their contribution to the growth of organizations (Akanbi & Itiola, 2013).

Leader behaviours contribute to the participation of employees in the organisational activities (Mitonga-Monga et al., 2012; Bester et al., 2015). Specifically, Fang et al. (2021) suggested that when relational leaders exhibit

openness, availability, and accessibility they are likely to facilitate the development of work participation among employees at work. Relational leaders can encourage followers to bring up new ideas and take risks by communicating the importance of such behaviors and assuring followers that negative consequences will not result from such behavior.

Being open, available and accessible allows leaders to communicate such expectations. When the leader is open and listens to employees, willing to discuss new ways for achieving the work goals, and paying attention to new opportunities, employees are likely to feel that it is safe to bring up new ideas and take risks involved in coming up with ideas that basically defy the norm. In a similar vein, when leaders are available and accessible to employees, they send a clear signal that it is safe to approach them and that they will be available and accessible to employees attempting to address issues creatively.

Further, high-quality interpersonal relationships have been shown to facilitate the development of employee participation (Carmeli, Brueller, & Dutton, 2009). Bester et al.(2015) found that when members felt that their leaders invited and appreciated their input they developed a sense of psychological safety, in that their voice is appreciated and they are comfortable with speaking up and expressing themselves. Thus, it is hypothesized that;

H<sub>3</sub>: Relational leadership has a significant positive relationship with employee participation.

### **Job Satisfaction and Employee Retention**

Employee retention is defined as an organization's ability to prevent employee turnover, or the number of people who leave their job in a certain period, either voluntarily or involuntarily (Dwesini, 2019). To Al Mamun and Hasan (2017), employee retention is the ability of an organization to retain its employees and make sure the sustainability of employees. Increasing employee retention has a direct impact on business performance and success. Employee retention is one of the movements carried out by an organisation to create an environment that involves employees for the long term (Chaminade, 2006). Employee retention is the main goal and main concern for most organizations. Retention of talented employees is an advantage for the organisation because employees with high knowledge and expertise or skills are very important for the company's ability to be economically competitive (Kyndt et al., 2009).

Employee retention is an important challenge for organisations (Too & Kwasira, 2017). Currently, the labour market belongs to employees because talented candidates in the global job skills market have luxurious options (Too & Kwasira, 2017). Employees, new or old, realised that they are more flexible in choosing an organisation (Clarke, 2001). The dynamic environment of today's business has brought many organisational challenges, one of which is retaining skilled workers. However, to retain employees, the company must find ways to improve the job satisfaction level of their employees. This is supported by Biason (2020) found out that there is a positive relationship between job satisfaction and employee retention.

Other scholars argue that job satisfaction is able to motivate employees intrinsically and extrinsically by making the employees have access to information, clear lines of communication, rewards, locus of control, and self-esteem and this will make them stay in the organisation for a very long time (Anwar & Shukur, 2015). Through rewards, favourable feedback, good communication, compelling visions can be created and articulated for the members in the organisation to meet the job expectation of employees to able to retain them (Ali & Anwar, 2021). Hence, it can be hypothesized;

H<sub>4</sub>: Job satisfaction has a positive and significant nexus with employee retention.

### **Employee Participation and Employee Retention**

Employee retention is considered as the heart of organizational success. Employee retention is defined as "a process in which the employees are encouraged to remain with the organization for the maximum period of time or until the completion of the objectives" (Singh & Dixit, 2011, p. 442). The basic aim of employee retention strategies and practices is twofold within the organizations. One is to reduce employee turnover and, second, to considerably reduce the associated expenses of hiring and training and orientation of the new employees (Iqbal & Hashmi, 2015).

Organizations cannot forbid or lockout their employees from looking for more attractive and lucrative opportunities; instead, the purpose of the retention strategies is to make employees loyal for the time they stay with the organization. It is an observation that strategies like career aspirations, autonomy, delegation,

involvement, and cooperative and supportive working environment could be the key factors of employee retention (Agarwala, 2003).

Employee consultation and delegation by managers is an immediate force, which influences their perception regarding work environment (Amabile, Schatzela, Monetaa, & Kramer,2004). Managerial consultation, delegation, and encouragement are frequently viewed as variables that have effects on employee's performance and employee retention (Agwu & Olele, 2014). Thus, employee participation or involvement becomes a key aspect of organizational structure to achieve positive perceptions from employees and to increase efficiency and retention. Therefore, it is of the utmost importance that we recognize how employee engagement and staff retention are connected. When employees are not engaged at work, they have little incentive to stay. Even pay increases often cannot keep an employee who is not engaged, especially if they do not see a promising future that includes satisfying work and a clear development path (Memon et al., 2016). Therefore, it is hypothesized that;

H<sub>5</sub>: Employee participation has a positive and significant relationship with employee retention

### Relational Leadership, Job Satisfaction and Employee Retention

The role of individual leadership in organization is to treat employee with respect and dignity (Caldwell & Dixon, 2010). Accountability and responsibility of retaining talent employee is in hands of leaders in the organisation. The leaders build climate favourable for retention. The environment and supportive culture will help employee to get encouragement from it and retain (Chitra, 2013). When

leaders show interest and concern, employees will receive regular positive feedback from leaders and get work recognition and this will translate to make those employees wants to stay in the organization.

To Haque (2019), the relationship between leaders and employee impact on employee's intention to continue their work and retain in organization. Scholars (Kashyap & Rangnekar, 2016; Lim et al., 2017; Haque et al., 2019) argue that satisfied employees will never leave the organisation but rather stay for a long time. Al Mamun and Hasan (2017) asserted that when employee's job dissatisfaction increases intention of employees to leave organization also increases.

Furthermore, relational leaders can facilitate employee job satisfaction by putting in place managerial support schemes such as empowerment, work recognition, fringe benefits, promotion, rewards and bonuses, which may ignite employee retention (Abou Hashish, 2017). Thus, it is expected that when relational leaders enhance the job satisfaction of their employees, they may result to low turnover and also leads to retention of employee in organization. Thus, it is hypothesized that;

H<sub>6</sub>: Job satisfaction mediates the relationship between relational leadership and employee retention.

### Relational Leadership, Employee Participation and Employee Retention

Organizations are affected by weak leadership strategies through employee disengagement, employee turnover rates, employee burnout, a decrease in production, and a reduction in product quality (Anitha, 2014; Breevaart et al.,

2014; Hernandez et al.,2014; Silva, 2014). Leadership is a significant factor that affects employee participation, job satisfaction and organizational commitment (Anitha, 2014; Breevaart et al., 2014; Jena et al., 2017). The effectiveness of a leader is increased or decreased by the overall organizational culture (Lockwood,2007; Markos & Sridevi, 2010).

Managers who truly desire long-term change in leader effectiveness must address the organizational culture so that leadership behaviors align with the organizational culture and norms (Devi, 2009; Macey et al.,2011). Generally, employee participation focus comes from a company's concern for productivity (Harter et al., 2002). However, organizations should consider building a win-win scenario to balance organizational effectiveness with employee well-being (Little & Little,2006; Lockwood, 2007; Macey et al., 2011; Markos & Sridevi, 2010; Parker & du Plooy,2021).

Researchers (Heifetz,2003; Uhl-Bien & Arena, 2017; Diesel & Scheepers, 2019; McKim & Goodwin, 2021) are of the opinion that organizational leaders during change initiatives develop interconnectivity between its employees which enables adaptive and innovative solutions. Bushe and Nagaishi (2018) identify the importance of employees feeling that they can express their opinions and that their needs are being addressed. Consequently, Bushe and Nagaishi, (2018) are of the view that groups goals are clearer and there are fewer distractions. Shani and Coghlan (2018) stress that employee participation at all levels fuels important aspects of shared problem-solving and adaptiveness.

Employee participation has varying factors that are attached to the employee retention phenomenon. Gagne and Bhave (2011) averred that participated employees have a sense of belonging to the organisation; they perform better towards the achievement of organisational objectives as they are tied up to the organization. Wachira (2013) established that participated employees were viewed to have positive emotions towards their jobs, resulting in high productivity. Participated employees are regarded as being much more open to work opportunities, as well as being confident in carrying out their roles and organisational responsibilities (Shaufeli, 2013).

According to Robinson, Perryman and Hayday (2014) employee participation has a positive influence in the well-being of the employees and this leads to higher performance in the organisation. The cordial relationship created by the conducive working environment that the employees are exposed to, creates a strong bond between the employees and the organisation. It is however, expedient to note that employee engagement facilitates staff retention in an organisation.

Employee participation has a significant influence on the employees' intentions to leave the organisation and therefore minimizes staff turnover. Mxenge, Dywili and Bazana (2014) assert that lower employment participation in organisations result in high staff turnover, resulting in failure to meet the organisational objectives. A strong positive correlation should exist between employee participation and staff retention in the organisation. Continuous

exchange between the employees and their immediate supervisors should restrain the ideas for the employees to quit the organisation.

The leaders should positively influence the employees to remain in the organisation, thereby encouraging staff retention (Schaufeli, 2013). Employee participation can be achieved through dedication, which is viewed as one of the major elements of staff retention. Thus, when employees becomes dedicated to the duties assigned to them by the leaders, it will make them not to leave their job since they will be strongly attached and involved in fulfilling one's roles at work, having the ability to add value, being significant at work and being capable of taking the initiative, enthusiasm and being proud to take up the challenge at work. H7: Employee participation mediates the relationship between relational leadership and employee retention.

# **Empirical review**

Moore and Hanson (2022) investigated on improving leader effectiveness: impact on employee engagement and retention. Data collection includes multiple surveys and small group interviews. The study's analysis uses rigorous coding methods to construct a model of critical organizational values and behaviors essential for leadership effectiveness. The study found that developing leader effectiveness via value changes in organizational culture connects leaders to followers. This engagement improves organizational levels of trust, which are necessary to strengthen employee job satisfaction, reduce turnover and improve production.

Covella et al. (2017) looked into leadership's role in employee retention. Using a framework of social exchange theory (SET) to demonstrate the outcome of a leadership-employee centered model, the study demonstrated the vital role that the relationship between employee and leaders play in influencing an employee's future career decisions. Leader-member exchange (LMX) was proposed to have a mediating effect on this model. Survey research of 402 fulltime employees recruited through Amazon MTurk from a diverse selection of industries was used to explore these relationships.

The survey instrument included measures of person-job fit, turnover intention and employee work engagement factors such as vigor, dedication, and absorption. This study contributes to literature regarding P-J fit, LMX, and employee work engagement empirically tested within a single framework. Results confirm that person-job fit has an inverse relationship to turnover intention and mediated through LMX and employee work engagement.

Hauer, Quan and Liang (2021) researched into leadership as an influencing factor in employee retention-a case study analysis in East Asian multinational corporations in the digital age. Essential results reveal a comprehensive employee retention framework and identify core aspects a leader needs to regard according to the viewpoints of the participants. The findings highlight motivational factors and managerial competencies such as emotional intelligence, communication and transformational leadership style as prime concern to effectively retain employees. More importantly, a leader's role is to

convey emotions, such as passion and enthusiasm and to inspire followers achieving their goals.

Again. Zhang and Yao (2019) studied the impact of relational leadership on employees' unethical pro-organizational behavior: A survey based on tourism companies in four countries. The study found that relational leadership negatively correlates with the instrumental ethical climate, positively correlates with caring ethical climate, and exerts no significant impact on the rule ethical climate. Instrumental ethical climate and caring ethical climate mediate the relationship between relational leadership and employees' unethical pro-organizational behavior. In addition, moral identity negatively moderates the relationship between instrumental ethical climate and employees' unethical pro-organizational behavior, and between caring ethical climate and employees' unethical pro-organizational behavior. Furthermore, moral identity positively moderates the relationship between a rule ethical climate and employees' unethical. pro-organizational behavior.

Moreover, Rao et al. (2018) assessed the role of leadership on employee retention-A study on corporate hospitals. The study was conducted in the context of factors affecting employee retention with reference to Ramesh Hospitals in Vijayawada. Based on theoretical aspects, 200 employees were surveyed and took their opinion pertaining to retention of employees. Further Chi-Square test is used to establish the relationship between various factors and employee retention. The study shows that, rewards and recognition, career enhancement, performance appraisal is directly influence retention of employees which is proved by the

results of the hypotheses testing presented in the study. Finally, the study suggested that, effective rewarded system, proper career advancement plan required for the organisation to retain the employees.

Furthermore, Zindove and Magaisa (2020) examined the effects of employee engagement on employee retention strategies at the Christian Council of Zimbabwe. The sample size of the study was 100 respondents, and the simple random sampling technique was applied in conducting the study. The results showed that employee engagement has a significant impact on employee retention at the Christian Council of Zimbabwe. The study recommended that employee engagement needs to be applied in the organisation in order to increase organisational performance and retain skilled and talented employees in the organization.

Although these few studies are seen in the literature on the relationship between relational leadership and employee retention, it is not yet known in literature how relational leadership through job satisfaction and employee participation influence employee retention in commercial banks in Ghana. This calls for further probe into the constructs and to offer insights into how commercial banks can enhance employee retention.

# Conceptual framework

A conceptual framework is described as the researcher's idea of the link between study variables and demonstration of that relationship graphically or diagrammatically (Mwathi & Karanja, 2017). It makes it possible to operate, gather data, and measure factors that the researcher has identified quantitatively

(Antwi & Hamza, 2015). A conceptual framework, according to Cooper and Schindler (2014), gives the researcher the chance to include different variables in the investigation. However, utilizing the theories and empirical data examined, the researcher created the conceptual framework shown in figure 1. Job satisfaction and employee participation served as the mediating variables in the conceptual framework for the current study, which used one independent variable relational leadership - and one dependent variable - employee retention.

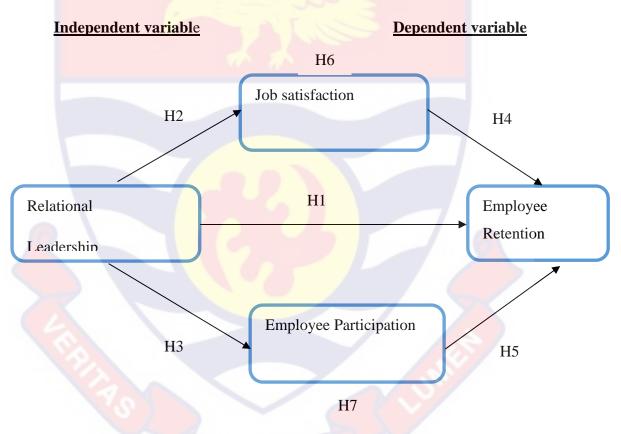


Figure 1: Conceptual framework

Source: Author's own construct (2022)

# **Chapter Summary**

The chapter covered a few guiding ideas for carrying out the study. They assisted in shaping and establishing the investigation's parameters. An empirical

literature review was also carried out to determine the gaps in the body of knowledge. This was done per the various study objectives.



### CHAPTER THREE

### RESEARCH METHODOLOGY

### Introduction

This chapter elaborated on the methodology of the study. The main areas emphasized were the research design, research approach, research philosophy, and the research strategy. The research population, sample and calculated sample size, and the sampling process or methods are also discussed in this chapter. Data collection methods in the form of quantitative survey questionnaire design, measurement of constructs, data processing and analysis are also discussed in this chapter. Reliability and validity of the research, and ethical issues or considerations are also discussed in this chapter.

# Research Approach

According to Saunders, Lewis and Thornhill (2016), there are three broad approaches of research, namely; quantitative, qualitative and mixed methods. While quantitative approach enables the researcher to examine associations between variables, qualitative approach deals with small aspects of social reality (Sekaran & Bougie, 2016). Saunders et al. (2016) advanced that the difference between quantitative methods of research and qualitative methods of research may be influenced by the nature of data used for the study. Whereas numeric data is used in quantitative research, non-numeric data is used in qualitative research.

Neuman (2014) posited that the two approaches can also be differentiated in terms of the procedure used in data collection and analyses. For example, whereas in quantitative research method, questionnaire is predominantly used by

researchers for data collection and also analyzing data quantitatively, in qualitative research method, interview is used by researchers for data collection and the analysis is done qualitatively. Sekaran and Bougie (2016), and Saunders et al. (2016) indicated that the third approach which is mixed method is merely a combination of the earlier two approaches. The authors further asserted that whilst the quantitative research method permits the generalization of the sample results to the entire population, qualitative research method is not for the generalization of the sample results to the entire population.

The study was grounded in the positivists' philosophy which beliefs that truth exists and such can be verifiable through quantitative techniques (Saunders, Lewis & Thornhill, 2019). Therefore, the study employed the quantitative research approach based on the nature of the study purpose under consideration, specific objectives and the nature of the primary data collected and analyzed. The constructs by nature are measurable and subjectable to statistical manipulation. This is due to the nature and purpose of the study under consideration. The current study demands that researcher collect numerical data that would be analyzed quantitatively.

The current study also demands that the study's result is generalized on the entire population. Tashakkori and Teddlie (2010) averred that, quantitative methods are often considered as deductive in nature because inferences from tests of statistical hypotheses result to general inferences about characteristics of a population. Lincoln, Lynham and Guba (2011) are also of the view that quantitative approach to research is directed towards the development of testable

hypothesis and theories which are generalizable across settings. The factors raised earlier are the reasons behind the choice of quantitative research approach against the qualitative research approach.

### **Research Design**

According to Akhtar (2016), research design is a blue print which specifies the exact data procedure or strategy that the researcher will go through to achieve the objectives of the study. The study employed the explanatory research design to assess relational leadership, employee retention, job satisfaction and employee participation. Explanatory research design is a typical predictive-oriented experimental study where changes in some phenomenon are attributed to changes in other phenomenon (Potwarka, Snelgrove, Drewery, Bakhsh & Wood, 2019). Since the study by nature is quantitative method, it became necessary for the constructs to be numerically measured so as to facilitate their subjecting to statistical manipulation (Nyarku, Kusi, Domfeh, Ofori, Koomson & Owusu, 2018).

### Study Area

The research area is the Accra Metropolis and the unit of analysis is the commercial banks within the metropolis. The Accra Metropolitan District is one of the 254 Metropolitan, Municipal and Districts in Ghana, and among the 26 such districts in the Greater Accra Region with a population of 284,124 as of 2021. As of March 2018, it spans an area of approximately 60 km² (23 sq mi) and encompasses the Ablekuma South, Ashiedu Keteke, and Okaikoi South submetropolitan district councils. The district was established by the Local

Government Act of 1993 (Act 462) and Legislative Instrument 1615. The local authority of the district, the Accra Metropolitan Assembly, is currently headed by Mohammed Adjei Sowah, who was appointed by the President of the Republic of Ghana in 2017 as the Metropolitan Chief Executive and serves as the political head of the district and mayor of the City of Accra.

Since 1961, the district has been coterminous with the City of Accra, which also serves as its capital. Today, the Accra Metropolitan District is one of the 10 districts that make up the Accra Metropolitan Area, an area that serves as the capital of Ghana. Administratively, the district is one of the 21 local authority districts of the Greater Accra Metropolitan Area, which include Ga South Municipal District, Ga Central Municipal District, Ga West Municipal District, Ga East Municipal District, Ga North Municipal District, Weija Gbawe Municipal District, La Dade Kotopon Municipal District, Ledzokuku Municipal District, Krowor Municipal District, Okaikwei North Municipal District, Ablekuma North Municipal District, Ablekuma West Municipal District, Ayawaso East Municipal District, Ayawaso North Municipal District, Ayawaso West Municipal District, Adentan Municipal District, Tema Metropolitan District, Tema West Municipal District, Ashaiman Municipal District, La Nkwantanang Madina Municipal District, and Kpone Katamanso Municipal District. The Accra Metropolis like other metropoles have financial institutions located in it to take care of the financial needs of people in the metropolis. Accra has banks like GCB Bank, Republic Bank, Zenith Bank, Prudential Bank, etc.

### **Population**

According to Bergh, Wennergren, Möller and Brisby (2020), research population is a well-defined collection of individuals or object having similar characteristics. It involves all the people, objects, and institutions who are the subject of the study and intended to be studied by the researcher. Castillo distinguishes between two types of population: the target population and the accessible population. The accessible population which is also known as the study population is the population in research to which the researchers can apply their conclusion. Accessible population consists of all staffs at the procurement department for the various health facilities. The population of the study is 950 workers in the commercial banks at the Accra Metropolis.

# Sample Size

A sample is a subset of a population's individuals. Quantitative survey studies frequently rely on a large accessible population, necessitating the identification of the most efficient subset of the population that can be examined. Using De Vaus's (2002) sample size proportion formula, the study's minimum efficient sample of employees working with the commercial banks was derived. The study's calculated minimum efficient sample was 300, based on the total accessible population of 950 employees working with the commercial banks. The sample size was based on the precision power, or a 0.05 error margin (5 percent).

The sample size is justified once more since the usage of PLS-SEM necessitates a sample size of at least ten (10) times the number of routes connecting to the endogenous variable (Barclay et al., 1995; Chin, 1998). In

addition, Singh (2006:94) believes that a sample size of 30 is sufficient for statistical analysis. As a result, a sample size of 300 is preferable.

### **Sampling Procedure**

In conducting a quantitative study, it is a major criterion for one to determine a sample size whose views on the subject matter may be generalized to the target population from which the sample was drawn from. This leads to the determination of appropriate size targeted in this study. Simple random sampling will be used to select respondents from the sampling frame to participate in the study. This is typical probability sampling technique. Probability sampling is normally a requirement in explanatory research because the goal is often to generalize the results to the population from which the sample is selected (Zickmund, 2000; Minasny & McBratney, 2006).

# **Data Collection Instrument**

Causal studies are very structured by nature (Maxwell, 2012) thereby demanding structured means of primary data collection. Young and Javalgi, (2007) provided that surveys using questionnaires are perhaps the most widely-used data-gathering technique in research and can be used to measure issues that are crucial to the management and development of businesses (Malhotra & Birks, 2007). The research instrument that was used for data collection was questionnaires.

The closed-ended questions require respondents to choose from among a given set of responses and require the respondents to examine each possible response independent of the other choice. The close-ended items employed checklist – a list of behavior, characteristics or other entities that the researcher is investigating – and Likert scale – which is more useful when behavior, attitude or other phenomenon of interest needs to be evaluated in a continuum (Leedy & Ormrod, 2005). The opinions of the respondents were measured on a five-point Likert scale. Generally, McColl (2005) posited that there are distinct advantages in using questionnaires rather than interview methodology.

In this example, the researcher strongly supported validity and dependability concerns. The items of the questionnaire were collected from investigations. The study adopted the 25-item relational leadership measures developed by Carifio (2010) and replicated by Akram, Lei & Haider, (2016). The authors included various statements which covered five key areas, i.e. include inclusive, Empowering, caring, ethical and vision and intuition. Employee retention items were adopted from a study by Govaerts, Kyndt, Dochy, and Baer (2011). Again, the items for Job satisfaction items were adapted from Warr, Cook and Wall (1979) while that of employee participation were adapted from Lammers, Meurs and Mijs (1987). All of the items were graded on a five-point Likert scale (1 = strongly disagree, 2 = disagree, 3 = neutral, 4 = agree, 5 = strongly agree).

### **Data Collection Procedures**

Primary data was used for this study. Primary data are original data sources that are collected fresh and for the first time and therefore happens to be the original in nature. The primary data was collected using the survey method. This involves the distribution of questionnaire and collection of data from

respondents. In order to achieve the objectives of the study, well designed questionnaires with closed ended questions were used. The purpose of the study will be explained to all participants and the consent of the respondents sought to enable data collection. Questionnaires will be distributed and later the researcher within 2 weeks will go back for them.

# **Data Processing and Analysis**

The process of changing raw data into meaningful output is known as data processing (Anagnostou et al., 2015). It refers to the series of processes involved in transforming data from its unprocessed state to information. This study's raw data will be cleansed before data processing. In order to avoid redundant, incomplete, or erroneous data, the raw data will be thoroughly verified for any errors. The cleansed data will be coded before being transmitted or imported into the Statistical Software Program for Social Sciences in Microsoft Excel format (SPSS). After that, the data in SPSS format will be analyzed and interpreted. The data will then be transferred into Smart PLS Version 4 for dimensional reduction validation of the measurement elements. Exploratory and Confirmatory Factor Analysis will be used to minimize the dimensions (CFA). Cronbach Alpha analysis will be used to assess the construct dimensions' reliability. Both descriptive and inferential statistical tools will be used to report the data's findings. Frequency, percentage, mean, and standard deviation are some of the descriptive statistical tools that will be used.

# **Ethical Consideration**

First, formal permission was sought from commercial banks in the Accra Metropolis. This will be made possible because an introductory letter was sent from the Department of Management at the School of Business of the University of Cape Coast which essentially sought to ask for permission for the conduct of the survey. Confidentiality and anonymity will be promised to the respondents. The purpose of the study will be fully explained to the respondents. Further, the researcher will indicate to the respondents that no monetary compensation would be available to them for participation in the study. Thus, no data manipulation will do afterward. Similarly, the results will be presented as will be found after the data analysis.

### CHAPTER FOUR

### **RESULTS AND DISCUSSION**

### Introduction

This study sought to examine the influence of relational leadership on employee retention by assessing the mediating role of job satisfaction and employee participation of commercial banks in the Accra Metropolis. This chapter also contains analysis of the data collected from respondents. The main instrument used for this study is a structured questionnaire. The statistical tool employed is the structural equation modelling. The results are presented in tables to improve readability.

### Response rate

Data was collected from employees working with the commercial banks in the Accra Metropolis. The targeted population considered for this study was 950 employees working with the commercial banks and a sample size of 300 employees was chosen. A total of 300 questionnaires were issued from which 271 were filled and returned which represents a response rate of 90.33%. According to Mugenda and Mugenda (2003), a 50 per cent response rate is adequate, 60 per cent is good and above 70 per cent rates very well. The success rate in this study could be attributed to the self-administration of the questionnaires applied by the researcher from which the intended respondents from the various commercial banks were pre–notified on the actual date before the data collection. The response rate is represented in Table 1 below.

**Table 1: Response Rate** 

Questionnaire	Count	Percentage (%)	
Returned	271	90.33	
Non- Returned	29	9.67	
Total	300	100.00	

Source: Source: Field Data (2022)

#### **Demographic Information of Respondents**

This section presents the background characteristics of the respondents. Some of the issues considered under the section were the gender, age, marital status educational level of respondents, and the working experience of the respondents of commercial banks in the Accra Metropolis. Demographic information of the respondents was descriptively measured with frequency and percentage (%) because these statistical tools are appropriate to measure categorical data. This information describes the respondents that were surveyed to prove the sample was selected from the target population. The findings were presented in Table 2.

Concerning gender of the respondents, majority, 150(55.4%), of the respondents were males, while 121(44.6%) were females. This result implies that there are more males working with commercial banks within the research period than the females. With respect to the marital status, majority, 123(45.4%), of the respondents were married, 88(32.5%) of the respondents were single and 60(22.1%) of the respondents were divorced.

**Table 2: Demographic Characteristics** 

Table 2: Demographic Character	Frequency	Percent (%)
Gender		
Male	150	55.4
Female	121	44.6
Total	271	100
Marital Status		
Married	123	45.4
Single	88	32.5
Divorced	60	22.1
Total	271	100
Age		
21-30 years	50	18.5
31-40 years	158	58.3
41-50 years	34	12.5
51-60 years	23	8.5
61 and above	6	2.2
Total	271	100
Academic Qualification		
Master's	60	22.1
Bachelor's/HND/Diploma	205	75.7
WAECWASSCE	6	2.2
Total	271	100
Working Experience		
1-5 years	105	37.6
6-10 year	60	22.2
11-15 years	71	26.2
Total	271	100

Source: Field Survey (2022)

In terms of age group of the respondents, Table 2 revealed that majority 158(58.3%) of them are between the ages of 31 to 40 years, 50(18.5%) of them

are between the ages of 21 to 30 years, 34(12.5%) of them are between the ages of 41 to 50 years while 23(8.5%) of them were between the ages of 51 to 60 years and 6(2.2%) attained 61 years and above. Furthermore, the results indicate that all of them had educational qualifications including basic education, SSS/SHS, Diploma/HND, First Degree and Postgraduate. This means that, all the respondents have undergone formal education with majority of them having bachelor's/HND/Diploma qualification, 205 (75,7%) followed by 60(22.1%) of them having master's degree while 6(2.2%) of them is having WAEC/WASSCE qualification.

With regards to the working experience of the respondents, it was revealed that majority, 105(3 7.6%)of them had 1 to 5 years working experience in the banking sector in the Accra Metropolis, 60(22.2%) of them had 6 to 10 years working experience in the banking sector in the Accra Metropolis, 71(26.2%) of them had 11 to 15 years working experience in the banking sector in the Accra Metropolis and 38(14.0%) had above 15 years working experience in the banking sector in the Accra Metropolis s. This means that all the respondents were having at least 1 year working experience which is good for the banking sector in the Accra Metropolis.

#### **Analysis of the Research Objectives**

This section discussed the results of the study's research objectives. This was achieved by first and foremost assessing the measurement model of the PLS-SEM. After the measurement model assessment, the study presented and discussed the results of each research objective.

#### **Measurement Model Assessment**

The study analysed the research objectives using the Partial Least Square-Structural Equation Modelling (PLS-SEM) analytical approach. The assessment was done based on the following key underlying assumptions: item loadings, construct reliability and validity, convergent validity (average variance extracted) and discriminant validity. According to Henseler et al. (2015), these assumptions are tested to provide clear meaning of the structural model results including the validity and reliability of the study.

#### **Item Loading**

In terms of assessing the item loadings as the first mode of assessment, the indicators' loadings of each construct were evaluated. Based on the rule of thumb, items with loadings  $\geq 0.70$  is a quality measure of its construct (Henseler et al., 2009). In view of this, items of each construct with loadings <0.7 were removed from the model. The result was presented in Figure 2.

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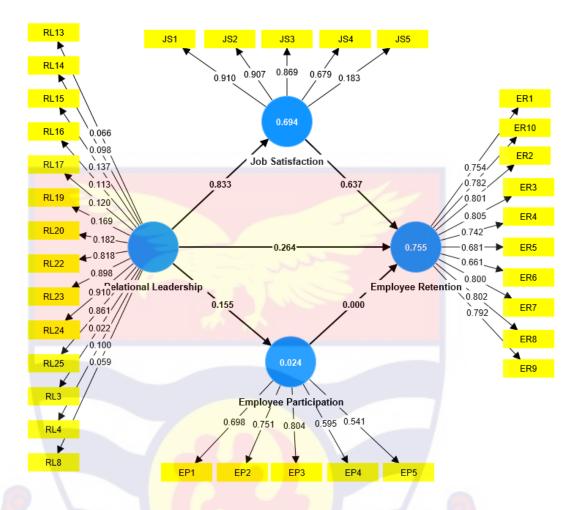


Figure 2: Final model extracted

Source: Field Data (2022)

It could be deduced from the figure that all item loadings <0.7 were removed to indicate the quality measures of a given construct. As a result, the final model extracted served as a basis for further assessment of the PLS-SEM. Specifically, some the indicators of developmental leadership and seven indicators of duty orientation were drop off since they did not meet the criteria for measuring the composite construct.

#### **Construct Reliability and Validity**

Table 3 presented the results of other assessment criteria including construct reliability and validity and convergent validity (average variance extracted).

**Table 3: Construct Reliability and Validity** 

	CA	rho_a	CR	CV(AVE)
RL	0.774	0.901	0.657	0.227
ER	0.920	0.926	0.933	0.583
JS	0.780	0.881	0.857	0.580
EP	0.738	0.797	0.812	0.469

Notes: RL – Relational Leadership; ER – Employee Retention; JS – Job Satisfaction; EP – Employee Participation; CA – Cronbach's alpha; CR – Composite reliability; CV – Convergent validity, AVE – Average Variance Extracted

Source: Field Data (2022)

From Table 3, indicator reliability (IR) which shows the proportion of variance of an indicator that can be described by its underlying latent variable (Hair et al., 2016) was assessed using the Cronbach's alpha (CA) result and rho A result. The study reported the rho A result because it is regarded as a much more rigorous measure of indicator reliability as compared to the CA (Hair et al., 2016). It could be deduced that, all the rho A scores for the constructs were > 0.70, thus met the reliability criteria. Table 3 also presented the composite reliability of the study to explain the extent to which specific constructs are sufficiently measured

by their indicators when put together (Ringle et al., 2012). This means that, CR requires all the indicators assigned to a given construct to have a strong mutual correlation. The rule of thumb is that, CR scores should be ≥ 0.70 (Bagozzi & Yi, 1988; Ringle et al., 2012). It could be seen that this criterion was met since the CR score of each construct was >0.7. This means that all the assigned indicators had strong mutual relationships with their respective constructs.

The convergent validity (CV) of the study based on the Average Variance Extracted (AVE) score (Hair et al., 2016) was presented in Table 3. The rule of thumb is that, all the AVE scores should have a minimum threshold  $\geq 0.50$  for each construct (Hair et al., 2016). A cursory look at the scores of the major constructs including the dimensions of transformational leadership have met the criterion as all the constructs had AVE scores > 0.50.

#### Discriminant validity

To ensure discriminant validity for each latent construct, the square roots of the average variance extracted (AVEs) should be larger than any of the correlations involving that latent construct (Hair et al., 2016). One method for assessing the existence of discriminant validity is the Fornell and Larcker's (1981) criterion. This method suggests that the square root of AVE of each latent variable can be used to establish discriminant validity, if this value is larger than other correlation values among the latent variables.

However, the Fornell-Larcker criterion performs very poorly, especially when indicator loadings of the constructs under consideration differ only slightly (thus, all indicator loadings vary between 0.60 and 0.80). When indicator loadings

vary more strongly, the Fornell-Larcker criterions' performance in detecting discriminant validity issues improves but is still rather poor overall. (Voorhees, Brady, Calantone, & Ramirez, 2016). As a remedy, Henseler, Ringle and Sarstedt (2015) propose assessing the Heterotrait-Monotrait Ratio (HTMT) of the correlations. According to Henseler et al (2015), a latent construct has discriminant validity when its HTMT ratio is below 1.000. The results presented in Table 4 show HTMT values well below 1.000.

Table 4: Discriminant Validity: Heterotrait-Monotrait Ratio (HTMT)

	RL	ER	JS	EP
RL				
ER	0.557			
JS	0.631	0.960		
EP	0.227	0.163	0.361	

Source: Field Data (2022)

#### **Structural Model**

After the measurement model was assessed to ensure that it meets the PLS-SEM criterion, the study presented the results of the research objectives 1, 2, 3, 5, 5, 6 and 7. This was done by assessing the direction and strength using the path coefficient ( $\beta$ ) and level of significance with t-statistics obtained through 5000 bootstraps as recommended by Hair et al. (2016). The result of the objectives was presented in Table 5.

**Table 5: Result of Structural Equation Model** 

Path	(β)	T-Stats	P-values	Hypotheses	Decision
RL -> ER	0.264	4.091	0.000	H1	Supported
RL -> JS	0.833	40.032	0.000	H2	Supported
RL -> EP	0.155	2.322	0.020	НЗ	Supported
JS -> ER	0.637	10.996	0.000	H4	Supported
EP -> ER	0.000	0.013	0.990	H5	Not Supported
RL -> JS -> ER	0.531	10.115	0.000	Н6	Supported
RL -> EP -> ER	0.000	0.011	0.992	H7	Not Supported

Note: \* = P < 0.05 - significant

Source: Field Data (2022)

It is to note that, the result of the structural equation model as presented in Table 4 and was used to discuss the study's research objectives in the subsequent sub-sections. The results were presented based on the t-stat with corresponding p-values < 0.05. Also, the path coefficients were explained based on the criteria by Cohen (1988). He suggested that correlation coefficients of 0.10 represents weak or small correlation; a correlation coefficient of 0.30 represents a moderate correlation while correlation coefficient of 0.50 represents a large or strong correlation.

#### Effect of Relational Leadership on Employee Retention

The first research objective sought to determine the effect of relational leadership on employee retention of commercial banks in the Accra Metropolis. Through the application of the Pls algorithm in the Smart pls (Ringle et al., 2005) software, the analysis of the data collected showed that relational leadership had a

positive and significant effect on employee retention ( $\beta$  = 0.264; t = 4.091; p = 0.000< 0.05) of commercial banks in the Accra Metropolis. The beta coefficient is in the same direction as hypothesized, hence the hypothesis "*Relational leadership has a positive and significant relationship with employee retention*" was supported.

This means that an increase in relational leadership would result in an increase in the employee retention of employees of commercial banks in the Accra Metropolis. It further suggests that, management and various supervisors in the banks should emphasise on developing their relational leadership traits when they intend to improve upon the employee retention rate. With relational leadership behaviours such as supervisory behaviours aimed at instilling professional growth in their employees through positive social development and growth to achieve a common goal, the employees will be motivated to be retained in the firm. The findings of the study is in line with relational and collective selftheory (Brewer & Gardner, 1996), since it implies that the one's sense of self is derived from the reactions and satisfaction of the other person in the relationship. Being confident that one is acting respectably and appropriately toward others gives one a sense of self-worth. Furthermore, Rao et al. (2018) found in their study that rewards and recognition, career enhancement, performance appraisal by leaders directly influence retention of employees.

#### **Effect of Relational Leadership on Job Satisfaction**

The second research objective sought to analyse the effect of relational leadership on job satisfaction of commercial banks in the Accra Metropolis.

Through the application of the Pls algorithm in the Smart pls (Ringle et al., 2005) software, the analysis of the data collected showed that relational leadership had a positive and significant effect on job satisfaction of commercial banks in the Accra Metropolis ( $\beta = 0.833$ ; t =40.032; p = 0.000 < 0.05). The beta coefficient is in the same direction as hypothesized, hence the hypothesis "*Relational leadership has a significant positive nexus with job satisfaction*" was supported. This means that an increase in relational leadership would result in an increase in the job satisfaction of commercial banks in the Accra Metropolis.

Based on the findings, it is suggested that managers can affect employee job satisfaction, commitment and productivity (Warrick, 2017). Relational leaders demonstrate a variety of behaviors, including care, tolerance, authorization, and fairness to subordinates (Meng & Berger, 2019). Researchers argued that these leadership behaviors are significant predictors of employee job satisfaction in that organizational leaders exercise their capacities to influence employees' level of empowerment since the greater the empowerment, the higher the job satisfaction (Hartnell et al., 2016). The findings corroborates that of researchers who found that there is a positive correlation between leadership and job satisfaction in an organisation (Saleem, 2015; Alonderiene & Majauskaite, 2016; Al-Sada et al., 2017; Bernarto et al.,2020). Therefore, the findings is not surprising as the relational leaders make employees develop trust, motivation, participating in decision-making, and removing any boundaries between the employee and top management in order to make them satisfied.

#### **Effect of Relational Leadership on Employee Participation**

The third research objective sought to determine the effect of relational leadership on employee participation of commercial banks in the Accra Metropolis. Through the application of the Pls algorithm in the Smartpls (Ringle et al., 2005) software, the analysis of the data collected showed that relational leadership had a positive and significant effect on employee participation of commercial banks in the Accra Metropolis ( $\beta = 0.155$ ; t =2.322; p = 0.020 < 0.05). The beta coefficient in the same direction as hypothesized, hence the hypothesis "*Relational leadership has a significant positive relationship with employee participation*" was supported. This means that an increase in relational leadership would result in an increase in the employee participation of commercial banks in the Accra Metropolis.

It further suggests that if managers or supervisors of commercial banks adopt relational leadership style, they would influence their followers by engaging them in decision-making. Leader behaviours contribute to the participation of employees in the organisational activities (Mitonga-Monga et al., 2012; Bester et al., 2015). The finding coincides with the assertion of Fang et al. (2021) who suggested that when relational leaders exhibit openness, availability, and accessibility they are likely to facilitate the development of work participation among employees at work. Relational leaders can encourage followers to bring up new ideas and take risks by communicating the importance of such behaviors and

assuring followers that negative consequences will not result from such behavior. Thus, being open, available and accessible allows leaders to communicate such expectations. When the leader is open and listens to employees, willing to discuss new ways for achieving the work goals, and paying attention to new opportunities, employees are likely to feel that it is safe to bring up new ideas and take risks involved in coming up with ideas that basically defy the norm.

#### **Effect of Job Satisfaction on Employee Retention**

The fourth research objective sought to assess the effect of job satisfaction on employee retention of commercial banks in the Accra Metropolis. Through the application of the Pls algorithm in the Smartpls (Ringle et al., 2005) software, the analysis of the data collected showed that job satisfaction had a positive and significant effect on employee retention of commercial banks in the Accra Metropolis ( $\beta = 0.637$ ; t = 10.996; p = 0.000 < 0.05). The beta coefficient is in the same direction as hypothesized, hence the hypothesis "*Employee participation has a positive and significant relationship with employee retention*" was supported. This means that an increase in job satisfaction would result in an increase in the employee retention of commercial banks in the Accra Metropolis.

Inferences drawn from the finding indicate job satisfaction is a good predictor of employee retention. The findings is supported by Biason (2020) who found out that there is a positive relationship between job satisfaction and employee retention. This is because a satisfied employee will be motivated intrinsically or extrinsically by making the employees have access to information,

rewards, locus of control and self-esteem and this will make them give out their best to the organisation and eventually will enhance them to retain their work. The findings confirm the assertion by Ali and Anwar (2021) that through rewards, favourable feedback, good communication, compelling visions can be created and articulated for the members in the organisation to meet the job expectation of employees to able to retain them.

#### **Effect of Employee Participation on Employee Retention**

The fifth research objective sought to examine the effect of employee participation on employee retention of commercial banks in the Accra Metropolis. Through the application of the Pls algorithm in the Smartpls (Ringle et al., 2005) software, the analysis of the data collected showed that employee participation had a positive and insignificant effect on employee retention of commercial banks in the Accra Metropolis ( $\beta = 0.000$ ; t =0.013; p = 0.990< 0.05). The beta coefficient is not in the same direction as hypothesized, hence the hypothesis "Employee participation has a positive and significant relationship with employee retention" was not supported. This means that an increase in employee participation would not result in an increase in the employee retention of commercial banks in the Accra Metropolis.

From the findings, it can be said that employees in the commercial banks do not need to be involved in decision-making by their supervisors for them to be able to retain their job. The finding debunks that of Zindove and Magaisa (2020) who found that employee engagement has a significant impact on employee retention. Again, the findings is not in line with Agwu and Olele (2014) who

found that employee involvement has a significant positive impact on employee retention. To the authors, employee involvement becomes a key aspect of organizational structure to achieve positive perceptions from employees and to increase efficiency and retention. However, this study proves otherwise. Therefore, the findings has shown that employee engagement needs not to be applied in the commercial banks in the Accra Metropolis in order to increase organisational performance and retain skilled and talented employees in the commercial banks.

# The Mediation Role of Job Satisfaction on the Nexus between Relational Leadership on Employee Retention

The sixth research objective sought to examine the mediation role of job satisfaction on the nexus between relational leadership on employee retention of commercial banks in the Accra Metropolis. To reiterate the argument advanced by Nitzl et al. (2016), the authors noted that mediation exist in a structural model when the direct (even though not a necessary condition) and indirect (necessary) effects are significant. From Table 5, since there exist both direct and indirect significant positive effect of relational leadership on employee retention, conclusion can be reached that job satisfaction mediates the relationship between relational leadership on employee retention. Thus, the indirect effect (RL -> JS -> ER;  $\beta = 0.531$ ; t = 10.115; p = 0.000 < 0.05) was confirmed significant.

Inferences drawn from the results of the study is that although relational leadership can influence the employee retention in the organisation, such influence can be improved when the employees perceive adequate presence of

opportunities for pleasurable or positive emotional state resulting from the appraisal of the job experiences. Therefore, there is partial mediation. Concisely, the findings infer that through relational leadership, job satisfaction can be improved by making the employees have positive affective orientation towards the work environment. Empirically, previous studies suggested that the relationship between relational leadership behaviours and employee retention may be facilitated by job satisfaction depending on how seriously subordinates take into account leaders' suggestions or coaching, which is primarily determined by the level of trust between leaders and their subordinates (Karagonlar et al., 2016).

Relational leadership through inclusive, empowering, caring, ethical and vision and intuition helps improve employees' recognition and status by giving them the power and authority to carry out their responsibilities. Thus, conclusion can be reached from the finding that when relational leaders leverage on the traits to make employees satisfied, it will eventually lead to employee retention since the employees are being identified and valued by their organisation (Kashyap & Rangnekar, 2016; Lim et al., 2017; Haque et al., 2019). The findings confirm that of Al Mamun and Hasan (2017) who found that job satisfaction is an important element that make organization retained their workers. To the authors, when employee's job dissatisfaction increases intention of employees to leave organization increases as well.

# The Mediation Role of Employee Participation of the Link Between Relational Leadership on Employee Retention

The final objective of the study examined the role employee participation plays in mediating the relationship between relational leadership and employee retention of commercial banks in the Accra Metropolis. Per the argument by Nitzl et al. (2016), mediation exist in a structural model when the direct and indirect effects are significant. However, from Table 5, that is not the case. As a result, conclusion can be reached that employee participation does not mediates the relationship between relational leadership and employee retention of commercial banks in the Accra Metropolis. Thus, the indirect effect (RL -> EP -> ER;  $\beta$  = -0.000; t = 0.011; p = 0.992 > 0.05) was confirmed not significant.

The result of the study revealed that relational leaders cannot use work engagement or involvement which is attained by empowering workers to influence their working environment and working conditions by participating in choices that have an impact on their job in order to be retained in the company. This is because an employee can be involved in the decision taken by management of the organisation but if they are not satisfied or happy about such decision they will still leave their organisation.

However, this finding debunks the assertion by Mxenge, Dywili and Bazana (2014) that lower employee participation in organisations result in high staff turnover, resulting in failure to meet the organisational objectives. Gagne

and Bhave (2011) averred that participated employees have a sense of belonging to the organisation; they perform better towards the achievement of organisational objectives as they are tied up to the organization. Also, Wachira (2013) established that participated employees were viewed to have positive emotions towards their jobs, resulting in high productivity. Participated employees are regarded as being much more open to work opportunities, as well as being confident in carrying out their roles and organisational responsibilities (Shaufeli, 2013). Therefore, commercial banks must try everything possible to make employee participation an important element that can make employees to retain their job.

#### **Explanation of Target Endogenous Variable Variance**

The PLS-SEM estimation for the predictive accuracy of the model using the coefficient of determination ( $R^2$ ) was reported in this section. Also, the study reported other relevant estimations including effect size ( $f^2$ ) and predictive relevance ( $Q^2$ ) using the Stone-Giesser's test criterion. The results were presented in Table 6.

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**Table 6: Explanation of Target Endogenous Variable Variance** 

	$\mathbb{R}^2$	R <sup>2</sup> Adjusted	$Q^2$	$f^2$
RL -> ER	0.755	0.752	0.132	0.087
RL -> JS	0.694	0.693	0.282	2.265
RL -> EP	0.024	0.021	0.148	0.025
JS -> ER				0.506
EP -> ER				0.000

**Note**:  $R^2 = R$  squared,  $f^2 =$  effect size,  $Q^2 =$  predictive relevance

Source: Field Data (2021)

#### **Coefficient of Determination**

The R<sup>2</sup> is a measure of the model's predictive accuracy. Another way to view R<sup>2</sup> is that it represents the exogenous variable's combined effect on the endogenous variable(s). Henseler et al. (2015) recommended labelling R<sup>2</sup> measures of 0.67, 0.33 and 0.19 for independent latent constructs in the inner path model as substantial, moderate and weak, respectively. The results show the coefficient of determination, R<sup>2</sup>, for the endogenous latent variables as represented in Table 6. From Table 6, the coefficient of determination based on the R Square result was 0.755. This means that the relational leadership and job satisfaction put together substantially explain 75.5% of the variation in employee retention. Again, developmental leadership latent variables substantially explains 69.4% of the changes in job satisfaction and weakly explains 2.4% of the changes in employee participation of commercial banks in the Accra Metropolis, as shown in Table 6.

#### Effect size (f2)

The effect size ( $f^2$ ) of each exogenous variable was assessed. This was done based on Cohen's (1988) impact indicator criterion where values 0.35 (large), 0.15 (medium) and 0.02 (small) respectively. In respect of the effect size, this study averred that relational leadership ( $f^2$ =0.087) and employee participation ( $f^2$ =0.000) caused small statistically significant positive variance in employee retention. However, job satisfaction leads to a large significant change in employee retention ( $f^2$ =0.506) whilst relational leadership caused a large significant change in job satisfaction ( $f^2$ =2.265). Again, the result showed that relational leadership caused a very small change in employee retention ( $f^2$ =0.025). The result implies that, when the managers of commercial banks within the Accra Metropolis continue to exhibit relational leadership behaviours and employees job satisfaction programmes are implemented by the management of of commercial banks within the Accra Metropolis would have the higher effect on employee retention.

#### **Predictive Relevance (Q2)**

According to Hair et al. (2020), researchers should use RMSE as the prediction statistic. But the MAE should be applied if the prediction error distribution is highly non-symmetrical (Shmueli et al., 2019). To assess the prediction error of a PLS-SEM analysis, the RMSE values are compared to a naïve value obtained by a linear regression model (LM) that generates predictions for the measured variables (indicators). The LM process applies a linear regression model that predicts each of the endogenous construct's indicators from

all indicators of the exogenous latent variables in the PLS path model. But the LM process does not include the specified model structure represented by the measurement and structural theory (Danks & Ray, 2018).

Hair et al. (2020) established four conditions for the MV prediction summary and these are:

- When the RMSE or MAE have higher prediction errors for all dependent variable indicators compared to the naïve LM benchmark, the model lacks predictive power.
- When the majority of the dependent construct indicators have higher prediction errors compared to the naïve LM benchmark, the model has low predictive power.
- When an equal or a minority of the dependent construct indicators have greater prediction errors compared to the naïve LM benchmark, the model has medium predictive power.
- When none of the dependent construct indicators have higher RMSE or MAE prediction errors compared to the naïve LM benchmark, the model has high predictive power.

Table 7: MV prediction summary

	Q <sup>2</sup> predict	PLS-SEM_RMSE	PLS-SEM_MAE	LM_RMSE	LM_MAE
EP1	-0.002	1.220	1.042	1.252	1.043
EP2	0.017	1.225	1.027	1.266	1.052
EP3	0.016	1.269	1.065	1.290	1.060

٠	EP4	-0.004	1.219	1.008	1.267	1.042
	EP5	-0.004	1.207	1.015	1.245	1.034
	ER1	0.259	1.212	0.948	1.249	0.987
	ER10	0.537	0.810	0.637	0.812	0.605
	ER2	0.287	1.066	0.835	1.099	0.873
	ER3	0.291	1.018	0.801	1.025	0.817
	ER4	0.255	1.038	0.836	1.049	0.848
	ER5	0.326	0.856	0.656	0.880	0.679
	ER6	0.318	0.896	0.686	0.929	0.713
	ER7	0.391	0.890	0.682	0.909	0.694
	ER8	0.330	1.017	0.768	1.046	0.796
	ER9	0.494	0.863	0.697	0.877	0.678
	JS1	0.592	0.762	0.568	0.791	0.580
	JS2	0.569	0.768	0.563	0.790	0.581
	JS3	0.566	0.727	0.563	0.744	0.564
	JS4	0.231	1.554	1.232	1.591	1.273
	JS5	0.012	1.206	0.979	1.230	0.987

Source: Field Data (2022)

From table 6, the dependent construct indicators have lesser RMSE or MAE prediction errors compared to the LM benchmark which means that the model have high predictive power. This is because the model is accordance with the fourth or last condition which says that "when none of the dependent construct indicators have higher RMSE or MAE prediction errors compared to the naïve LM benchmark, the model has high predictive power".

#### **Chapter Summary**

The chapter presented the results and discussion of the study's research objectives. The PLS-SEM technique was used for objectives. The study found relational leadership and job satisfaction to significantly and positively affect employee retention. Also, job satisfaction mediated the nexus of relational leadership and employee retention. However, employee participation did not mediate the relationship between relational leadership and employee retention. Again, employee participation did not significantly influence employee retention. The next chapter focused on the summary, conclusions and recommendations of the study.

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#### **CHAPTER FIVE**

#### SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

#### Introduction

The study examined primarily the influence of relational leadership on employee retention by assessing the mediating role of job satisfaction and employee participation of commercial banks in the Accra Metropolis. This final chapter sought to provide the summary, conclusion and recommendations to the findings of the study. These subheadings were discussed based on the results and discussions as well as the deductions drawn from the results for policy making purposes and directions for future scholars in similar field.

#### Overview

To recap, the specific objectives of the study were as follows. To;

- 1. determine the effect of relational leadership on employee retention.
- 2. analyse the effect of relational leadership on job satisfaction.
- 3. determine the effect of relational leadership on employee participation.
- 4. determine the effect of job satisfaction on employee retention.
- 5. examine the effect of employee participation on employee retention.
- 6. examine the mediation role of job satisfaction on the nexus between relational leadership on employee retention.
- 7. assess the mediation role of employee participation of the link between relational leadership on employee retention.

Methodologically, the study adopted the partial least squares structural equation modeling (PLS-SEM) for testing the corresponding hypotheses that

emanated from the objectives of the study. From a population of 950 employee of commercial banks in the Accra Metropolis, 271 were sampled based on the Krejcie and Morgan (1970) sampling determination table. In all, using the simple random technique, 271 valid responses were obtained, thus a 98.9% response rate. The data was then processed using the IBM SPSS Statistics (version 26) and SmartPLS (version 3.3.3) softwares.

#### **Summary of Key Findings**

Regarding the first objective which examine the influence of relational leadership on employee retention of commercial banks revealed that there was a significant and positive influence of relational leadership on employee retention in the banks. The study noted that leaders or managers can improve upon the employee retention of their respective banks by creating an atmosphere that will keep people interested in their work over the long term.

Secondly, it can be summed up that relational leadership had a significant positive influence on job satisfaction of commercial banks in the Accrea Metropolis. The study implied that when leaders, managers, supervisors or departmental heads of commercial banks endeavour to praise, involve employees in decision as it has the tendency of improving the recognition and status of employees and will eventually lead to performance effectiveness.

The third research objective investigated the effect of relational leadership on employee participation. The findings established that relational leadership had a significant positive impact on employee participation of commercial banks in the Accra Metropolis. Thus, it was expressed that leaders engaging employees in

decision-making and other activities in the organisation will go a long way to increase their career advancement thereby enhancing employee participation.

The fourth research objective investigated the effect of job satisfaction on employee retention among commercial banks in the Accra Metropolis. The study revealed that job satisfaction had a significant positive impact on employee retention among commercial banks in the Accra Metropolis. This implied that when leaders give employees access to information, rewards, locus of control and self-esteem and this will make them give out their best to the organisation and eventually will enhance them to be retained in the organisation.

The fifth research objective examined the effect of employee participation on employee retention. The study revealed that employee participation had a negative and insignificant effect on employee retention among commercial banks in the Accra Metropolis. This means that employees in the commercial banks do not need to be involved in decision making in the organisation for them to be retained in the organisation.

The sixth research objective explored the mediating role of job satisfaction on the nexus between relational leadership and employee retention. The study showed that job satisfaction mediates the relationship between relational leadership and employee retention among commercial banks in the Accra Metropolis. The findings demonstrated that job satisfaction mediated the nexus partially. Thus, it was expressed that through relational leadership, job satisfaction can be improved by developing trust, motivation and making employees

participate in decision-making and this will in turn make the employees satisfied to be retained in the firm.

The final research objective explored the role employee participation plays in mediating the relationship between relational leadership and employee participation. The study showed that employee participation does not mediates the relationship between relational leadership and employee retention of commercial banks in the Accra Metropolis. The result of the study implied that relational leaders does not need to engage employees in decision-making or other activities in the organisation for the employees to be retained.

#### **Conclusions**

The thrust of the study was to investigate the influence of relational leadership on employee retention by assessing the mediating role of job satisfaction and employee participation of commercial banks. The findings demonstrated that relational leadership has a positive significant effect on job satisfaction and employee participation. By drawing evidence from literature, theory and support findings from previous scholars, the study emphasised that management of commercial banks should adopt the relational leadership style in order to enhance job satisfaction and employee participation.

Also, relational leadership and job satisfaction are variously significant predictors of employee retention of commercial banks. Through the study management of commercial banks are informed on the need to provide an atmosphere of inclusiveness, empowerment, caring, ethical and providing shared vision that will foster relational leadership and also, give employees access to

information, rewards, locus of control and self-esteem to improve the retention level of employees.

Again, the findings also revealed that job satisfaction mediates the relationship between relational leadership and employee retention of commercial banks. Through the study management of commercial banks are informed the important of putting in place employee support schemes such as employee empowerment, work recognition, fringe benefits, promotion, rewards and bonuses which has the tendency to enhance employee retention.

Moreover, it was established that employee participation does not influence employee orientation and also employee participation does not mediate the relation between relational leadership and employee retention. Through the study management of commercial banks are made aware that involving employees in decision making can not make employees stay or leave the organization.

Furthermore, the study contributes to literature by adding to knowledge indicating that relational leadership influences employee retention through the role of job satisfaction in the banking stetting. Through the study management of commercial banks are informed on the need to provide adequate platforms that will foster relational leadership programs and activities to improve the employee retention.

#### Recommendations

On the strength of the research findings and conclusions made, the following recommendations are made:

- The study recommended that management of commercial banks should involve themselves in maintaining better relationships with their employees. Providing employees more empowerment, care and vision, including them in work related activities and decisions and treating them more ethically will result in enhanced employee retention.
- The study also recommended that management of commercial banks should continue to adopt relational leadership style since it empowered employees and improved their satisfaction level.
- Management of commercial banks should provide effective communication channels to the employees, effective employee engagement, career development, executive coaching, orientation and onboarding, desirable remuneration, provision of job security and employment participation strategies and policies in order to retain the skilled and talented employees in the organisation.

#### **Suggestions for Further Research**

It is suggested that further research be carried out in other developing countries to aid in the generalizability of the scale measuring the employee retention. This will provide in-depth clarification with regard to how each dimension of relational leadership relates to one another as well as how that relationship can be predicted by other factors. Moreover, this study is cross sectional study, therefore, the data was collected in one short time. However, a longitudinal or qualitative study can be conducted to understand the concept of relational leadership in more details. In addition, a replication of this study within

other industries in Ghana would give a better insight into the predictive power of developmental leadership.



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# APPENDIX A UNIVERSITY OF CAPE COAST SCHOOL OF BUSINESS DEPARTMENT OF MANAGEMENT

**QUESTIONNAIRE** 

I am currently carrying out a study to examine the influence of relational leadership on employee retention by assessing the mediating role of job satisfaction and employee participation. This study is purely an academic work in partial fulfilment for a Master of Business Administration degree in Management. I would be grateful to you if you could complete the questionnaire for me. Your cooperation is therefore needed in providing the required information as factual as possible. All responses derived from this study will be treated with utmost confidentiality and used for academic purpose only.

#### **SECTION A**

**Instruction**: Please fill your personal information for the demographic data by ticking  $\lceil \sqrt{\phantom{a}} \rceil$ 

1.	Gender:	Male [ ]		Female [ ]
2.	Marital Status:	Married	] Single [	] Divorced [
3.	Age:			
	21-30	] 3	1-40 [ ]	
	41-50 [	] 5	1-60 [ ]	
e	and above [	]		
4.	What is your hi	ghest level	of Academic	qualification?
	(a) Master's	[]		
	(b) (b)Bachelon	's/HND [ ]		
	(c) WASSCE/S	SSCE []		
5.	Work experience	ce (years):		
	(a) Below 3	[ ]	(b) 3 - 6	[ ]
	(b) 7 – 10	[ ]	(d) 11-14	[ ]
	(e) Above 14	[ ]		

# **SECTION B: Relational Leadership**

Please indicate your level of agreement towards developmental leadership. Please tick [ $\sqrt{\phantom{0}}$ ] one answer appropriately.1 = Least Agreement (LD), 2 = Somewhat Agree (SA), 3 = Moderately Agree (MA), 4 = Agree (A), 5 = Strongly Agree (SA)

No.	Statements	1	2	3	4	5
Relation	onal Leadership					
RL1	Creates opportunity for professional and personal growth for teachers and others					
RL2	Encourages risk taking amongst staff					
RL3	Engages in well-mannered, polite, civil discourse that respects differences and values equity and involvement					
RL4	Readily maintains attitudes that respect differences and values equity and involvement					
RL5	Recognizes and engages all internal and external stake-holders in building coalitions					
RL6	Builds professional capabilities of others and promotes self-leadership.	/	6			
RL7	Encourages others by sharing information bringing people into group process and promoting individual and group learning.					
RL8	Shares important tasks with others					
RL9	Acknowledges the abilities and skills of others					
RL10						
RL11	Steps out of his/her personal frame of reference into that of others					
RL12	Shows sensitivity for the needs and feelings of other teachers and administrators					
RL13	Establishes relationships built on values, caring and support					
RL14	Promotes individual development and responds to the needs of others					
RL15	Nurtures growth and remains connected to staff, students and others through interpersonal relationships					

RL16	Influences others by mutual liking and respect			
RL17	Conforms to the established standards of administrative practice			
RL18	Actively practices in "leading with integrity"			
RL19	Considers opposing viewpoints and the values and the values of others in decision making			
RL20	Encourages a shared process of leadership through the creation of opportunity and responsibility for others			
RL21	Provides inspiring and strategic goals			
RL22	Inspirational, able to motivate by articulating effectively the importance of what teachers are doing			
RL23	Has vision; often brings ideas about possibilities for the future			
RL24	Articulates natural mental ability that is is associated with experience			
RL25	Often exhibit unique behaviour that symbolizes deeply held beliefs			

# **SECTION C: Employee Retention**

Please indicate your level of agreement towards duty orientation. Please tick [ $\sqrt{\ }$ ] one answer appropriately.1 = Least Agreement (LD), 2 = Somewhat Agree (SA), 3 = Moderately Agree (MA), 4 = Agree (A), 5 = Strongly Agree (SA)

No.	Statements	1	2	3	4	5
Emplo	yee Retention					
ER1	Within this company my work gives me satisfaction					
ER2	If I wanted to do another job or function, I would look first at the possibilities within this company					
ER3	I see a future for myself within this company					
ER4	If it were up to me, I will definitely be working for this company for the next five years					
ER5	The work I am doing is very important to me					
ER6	I love working for this company					

ER7	I intent, within a period of three years, to go			
	working in another company			
ER8	I have checked out a job in another company			
	previously			
ER9	If I received an attractive job offer from another			
	company, I would take the job			
ER10	On the job I have sufficient opportunity to use			
	my personal talents and use my initiative.			

#### **SECTION D**

Please indicate the extent to which you agree to the following statements. Please tick [ $\sqrt{\ }$ ] one answer appropriately.1 = Least Agreement (LD), 2 = Somewhat Agree (SA), 3 = Moderately Agree (MA), 4 = Agree (A), 5 = Strongly Agree (SA)

No.	Statements	1	2	3	4	5
Job S	atisfaction			•		
JS1	I am satisfied with the physical work conditions.	L)				
JS2	I have the freedom to choose my own method of working.					
JS3	I am satisfied with my immediate boss.		1			
JS4	All in all, I am satisfied with my job.		7			
JS5	I am satisfied with the amount of responsibilities given to me.					
Empl	oyee Participation					•
EP1	I am satisfied with my career and opportunities for advancement					
EP2	I feel I am sufficiently informed about developments in the company					
EP3	I can openly address problems and sensitive issues in our workplace.					
EP4	My manager(s) show recognition for the work that I do					
EP5	I possess the required knowledge to complete my daily work					

Thank you for participating in the study.

 $\label{eq:APPENDIX B} \mbox{Krejcie and Morgan Determination sample size table.}$ 

N	S	N	S	N	S
10	10	220	140	1,200	291
15	14	230	144	1,300	297
20	19	240	148	1,400	302
25	24	250	152	1,500	306
30	28	260	155	1,600	310
35	32	270	159	1,700	313
40	36	280	162	1,800	317
45	40	290	165	1,900	320
50	44	300	169	2,000	322
55	48	320	175	2,200	327
60	52	340	181	2,400	331
65	56	360	186	2,600	335
70	59	380	191	2,800	338
75	63	400	196	3,000	341
80	66	420	201	3,500	346
85	70	440	205	4,000	351
90	73	460	210	4,500	354

95	76	480	214	5,000	357
100	80	500	217	6,000	361
110	86	550	226	7,000	364
120	92	600	234	8,000	367
130	97	650	242	9,000	368
140	103	700	248	10,000	370
150	108	750	254	15,000	375
160	113	800	260	20,000	377
170	118	850	265	30,000	379
180	123	900	269	40,000	380
190	127	950	274	50,000	381
200	132	1,000	278	75,000	382
210	136	1,100	285	100,000	384

Note: N is population size; S is sample size

Source: Krejcie, R.V. & Morgan, D.W. (1970).