SUITABLE LEADERSHIP STYLES INCREASE WORKPLACE MOTIVATION IN THE LAO BANKING INDUSTRY

SUKSAVANH VONGPHANAKHONE

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DECLARATION

Name of candidate: Suksavanh Vongphanakhone

This thesis entitled: “Suitable leadership styles increase workplace motivation in the Lao banking industry” is submitted in partial fulfillment of the requirements for the Unitec degree of Master of Business.

Candidate’s declaration I confirm that:

This thesis represents my own work;

The contribution of supervisors and others to this work was consistent with the Unitec Regulations and Policies.

Research for this work has been conducted in accordance with the Unitec Research Ethics Committee Policy and Procedures, and has fulfilled any requirements set for this research project by the Unitec Research Ethics Committee.

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Candidate signature: ..................................................... Date: 10 April 2014

Student number: 1396459
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ABSTRACT

In today’s fast changing environment, flexibility and adaptability are significantly important factors for organisations to survive and thrive. The study of effective leadership styles is one of the key management functions which enable an organisation to sustain its competitive advantage and develop both its employees and the organisational outcomes. In order to ensure good quality management for an organisation, it is imperative to have effective leadership styles to produce positive business outcomes such as high levels of productivity, effective and efficient use of resources, high levels of quality and a positive can do attitude.

Lao People’s Democratic Republic (PDR) is in a period of dynamic change. The country is making a gradual transition to a market economy and opening up to external trade and foreign investment. Thus, the government requires organisations and businesses to improve their service and business performance, especially the service of the banking industry which is one of the major factors boosting the Lao economic growth. However, the performance and efficiency of commercial banks in Laos is still low compared to the international standard and there is huge customer dissatisfaction regarding the low service of banks’ staff.

The aim of this study is to identify the practical leadership styles that the banking industry in Laos should apply to improve employee performance and to increase their motivation at work. This research also identifies the main factors that motivate employees in Lao banks to work. In terms of the methodology, this research employs mixed methods in order to better explore the research problem. Findings from the research reveal that there are some weaknesses associated with the current leadership practices in Lao banks. There are a number of employees who are dissatisfied with their immediate superior’s leadership practices, and a very small number of employees felt satisfied with their work performance; this is a result of the low level of staff empowerment in the banks.

There are four main leadership styles that employees preferred their superiors to be practising in order to improve their work performance and motivation at work. The possible four effective leadership styles are authentic leadership, transformational leadership, charismatic leadership, and participative leadership. In the area of motivational factors, results from the survey reveal that money is not the only factor that motivates employees to work but there are other significant factors such as self-esteem needs, opportunity for growth and fairness in the workplace.
TABLE OF CONTENTS

DECLARATION ........................................................................................................................................... ii
ACKNOWLEDGEMENTS.......................................................................................................................... iii
ABSTRACT ................................................................................................................................................ iv
TABLE OF CONTENTS............................................................................................................................ v
ABBREVIATIONS...................................................................................................................................... ix
LIST OF FIGURES ...................................................................................................................................... x
LIST OF TABLES ....................................................................................................................................... xi
CHAPTER 1 ................................................................................................................................................ 1
  1.1. Introduction ........................................................................................................................................ 1
  1.2. Problem description .......................................................................................................................... 3
  1.3. Aim and focus of the research project ............................................................................................... 5
  1.4. Objective of the research project ....................................................................................................... 5
  1.5. Research question ............................................................................................................................ 6
    1.5.1. Sub-research questions ................................................................................................................ 6
  1.6. Thesis overview .................................................................................................................................. 6
  1.7. Chapter summary .............................................................................................................................. 7
CHAPTER 2 ................................................................................................................................................ 8
LITERATURE REVIEW ............................................................................................................................. 8
  2.1. Introduction ........................................................................................................................................ 8
  2.2. Leadership overview ........................................................................................................................ 8
    2.2.1. Defining leadership ...................................................................................................................... 8
    2.2.2. Approaches to conceptualizing leadership .................................................................................. 9
    2.2.3. Difference between Leadership and Management .................................................................... 10
  2.3. Inspirational leadership theories ..................................................................................................... 11
    2.3.1. Charismatic leadership .............................................................................................................. 11
    2.3.2. Transformational leadership ..................................................................................................... 12
    2.3.3. Authentic leadership ................................................................................................................. 14
  2.4. Leadership styles ............................................................................................................................... 15
    2.4.1. Autocratic leadership ............................................................................................................... 15
    2.4.2. Democratic leadership ............................................................................................................. 16
    2.4.3. Participative leadership ............................................................................................................ 17
    2.4.4. Goal-oriented leadership ......................................................................................................... 18


## 2.4.5 Situational leadership

### 2.5 Leadership for quality

- **2.5.1 Performance management**
- **2.5.2 Motivation and empowerment**
- **2.5.3 Leadership communication**
- **2.5.4 Ethical leadership**
- **2.5.5 Team work**

### 2.6 Motivation overview

- **2.6.1 Defining motivation**
- **2.6.2 Maslow’s Hierarchy of needs**
- **2.6.3 Herzberg’s two-factor theory**
- **2.6.4 McGregor’s theory X, theory Y**
- **2.6.5 Alderfer’s ERG Theory**
- **2.6.6 McClelland’s learned need theory**
- **2.6.7 Equity theory**
- **2.6.8 Expectancy theory**

### 2.7 Summary

### 2.8 CHAPTER 3

#### RESEARCH METHODOLOGY AND RESEARCH METHODS

- **3.1 Introduction**
- **3.2 Quantitative approach**
- **3.3 Qualitative approach**
- **3.4 Secondary data**
- **3.5 Questionnaire**
- **3.6 Interviews**
- **3.7 Samples and selection**
- **3.8 Pilot study**
- **3.9 Method of data collection**
  - **3.9.1 Questionnaire data collection**
  - **3.9.2 Interview data collection**
- **3.10 Data analysis**
  - **3.10.1 Quantitative data analysis**
  - **3.10.2 Qualitative data analysis**
- **3.11 Ethical consideration**
- **3.12 Summary**
CHAPTER 4 ........................................................................................................................................... 51

DATA RESULTS AND FINDINGS ........................................................................................................... 51

4.1 Introduction ......................................................................................................................................... 51
4.2 Demographic results ............................................................................................................................. 51
4.3 Interview findings ............................................................................................................................... 54
4.4 Questionnaire findings ....................................................................................................................... 62
4.4.1 Work performance .......................................................................................................................... 63
4.4.2 Leadership ....................................................................................................................................... 65
4.4.3 Motivation ......................................................................................................................................... 73
4.4.4 Open ended question ....................................................................................................................... 78
4.5 Hypotheses .......................................................................................................................................... 80
4.5.1 Hypothesis 1 ..................................................................................................................................... 80
4.5.2 Hypothesis 2 ..................................................................................................................................... 81

CHAPTER 5 ................................................................................................................................................ 84

DISCUSSION OF FINDINGS ..................................................................................................................... 84

5.1 Introduction .......................................................................................................................................... 84
5.2 The importance of leadership ............................................................................................................. 84
5.3 The current leadership practices......................................................................................................... 86
5.3.1 Goal-oriented leadership style ..................................................................................................... 86
5.3.2 Autocratic leadership style ........................................................................................................... 87
5.3.3 Participative leadership style ....................................................................................................... 87
5.3.4 Democratic leadership style ......................................................................................................... 88
5.3.5 Transformational leadership ......................................................................................................... 89
5.4 Limitations to improving leadership and staff motivation ................................................................. 89
5.4.1 Leadership challenges .................................................................................................................... 90
5.4.2 Challenges concerning staff motivation ....................................................................................... 91
5.4.3 The professional development needs for leaders ........................................................................ 92
5.5 Employee work performance ............................................................................................................ 93
5.5.1 Approaches to evaluating staff’s performance ............................................................................. 93
5.5.2 Employee empowerment ............................................................................................................... 95
5.6 Employees’ satisfaction towards their superiors’ leadership ............................................................. 95
5.7 Preferable leadership styles ............................................................................................................... 97
5.7.1 Authentic leadership style ............................................................................................................ 98
5.7.2 Transformational leadership style ............................................................................................... 99
5.7.3 Charismatic leadership style ........................................................................................................ 101
ABBREVIATIONS

AMOS: Analysis of Moment Structures

ANOVA: Analysis of Variance

ASEAN: Association of Southeast Asian Nations

BTI: Bertelsmann Stiftung’s Transformation Index

HR: Human Resource

KITA: Kick in the ass (According to Herzberg’s two-factor theory)

LCB: Lao Construction Bank Limited

LDB: Lao Development Bank

PDR: People's Democratic Republic

PSVB: Phongsavanh Bank Limited

SL: Suitable Leadership (The respondents in the interview are allocated letters with numbers respectively (SL1, 2, 3, 4, 5…, 11) in order to avoid identification).

SPSS: Statistical Package for the Social Sciences

UREC: Unitec Research Ethics Committee

WTO: World Trade Organisation
LIST OF FIGURES

Figure 2.1 Leadership Styles .................................................................................................................... 15
Figure 2.2 Maslow’s Hierarchy of needs ................................................................................................... 30
Figure 4.1 Gender ratio of participants (Q.1) ......................................................................................... 52
Figure 4.2 Demographic results of questionnaire respondents (Q.4) ..................................................... 54
Figure 4.3 Importance of leadership (Q.8) ............................................................................................. 65
Figure 4.4 Employees’ satisfaction of their superior’s leadership (Q.9) .................................................. 66
Figure 4.5 Employees’ involvement in decision making (Q.11) ............................................................... 68
Figure 4.6 Employees’ opinion towards the importance of leaders understanding the different needs of employees. (Q.15) .................................................................................................................. 74
Figure 4.7 The most important factors that motivated employees to work for their current organisation. (Q.16) ............................................................................................................................................ 75
Figure 5.1 Practical leadership styles for leaders in the Lao banking sector ......................................... 98
Figure 5.2 The main motivating factors that motivate employees in the Lao banking sector to work ................................................................................................................................................. 103
LIST OF TABLES

Table 4.1 Respondent age (Q.2) ............................................................................................................... 52
Table 4.2 Working experience (Q.3) ........................................................................................................ 53
Table 4.3 Summary of the key findings from the interviews ................................................................. 61
Table 4.4 Respondents’ satisfaction in their current performance (Q.5) ............................................. 63
Table 4.5 Frequency of performance feedback provided by leaders (Q.6) ............................................ 64
Table 4.6 Report requirement from leaders about the working progress (Q.7) ................................. 65
Table 4.7 Employees’ perspective toward their superior’s leadership style (Q.10) ......................... 67
Table 4.8 Important factors that the leaders should practice in order to improve employees’ motivation and performance at work (Q.12) ............................................................................. 70
Table 4.9 Employees’ opinion toward the important characteristics of the leaders (Q.13) ....... 72
Table 4.10 Employees’ opinion toward the important characteristic of the leaders (Q.14) ......... 73
Table 4.11 The important factors that motivate employees to work (Q.17) ....................................... 77
Table 4.12 Level of employees’ happiness with their work (Q.18) ...................................................... 77
Table 4.13 The relationship between working experience and employees’ perception about the important of leadership in the organisation ............................................................................. 81
Table 4.14 Independent Samples Test on the difference between males and females in respect of their satisfaction regarding their superiors’ leadership ..................................................................... 82
CHAPTER 1

INTRODUCTION TO THE STUDY

1.1. Introduction

Leadership plays a significant role in organisational development and it is also a significant factor that helps and motivates employees to increase their performance (Yadav, Bhatnagar, & Singh, 2012). Daft and Pirola-Merlo (2009) point out that effective leadership can influence and support employees to work enthusiastically to achieve the organisational goal. Kyriakidou and Sigala (2012) state that today, businesses experience heightened competition and unpredictable change, which has a great impact on the attitude of employees. Therefore more and more organisations are realizing that it is imperative to develop effective leadership to guide employees through the uncertainty and encourage them to put more effort into their work. David and Stanley (2013) share the same point of view and suggest that today employees no longer want to be passive, but they want to feel important, motivated and challenged. Employees who feel valued in the workplace are likely to be more committed to work. Thus, it is necessary for the organisation to pay more attention to developing effective leadership to build a sense of community in the workplace which results in higher levels of employee performance, willingness to work, reduced absenteeism and increased productivity of organisations (interchangeably referred to as businesses in this thesis).

Adeniyi (2010) notes that studies on the effect of leadership on individual performance are significant because it has a direct impact on staff satisfaction, customer loyalty and financial performance. Therefore, the study of effective leadership style is one of the key management functions which enable an organisation to sustain its competitive advantage and develop both its employees and organisational outcome. There are a number of examples that show the positive outcome of effective leadership on the development of organisations. For instance, the transactional leadership approach enables organisations to achieve their objectives and goals more efficiently by linking job performance to appropriate rewards and by ensuring that employees can access the resources needed to get the job done (Timothy, Andy, Victoria, & Idowu, 2011). Another example is visionary leaders. This style of leadership can create a
strategic vision of a future state and enables followers to understand the real purpose of an organisation and they will then go in the same direction (Prentice & Rabey, 2009). In addition, Kantabutra (2009) suggests that visionary leadership is a tool that encourages employees to improve their emotional commitment and performances because they can picture the future of an organisation and want to be part of that achievement. Some scholars like Bolman and Deal (2008), suggest that visionary leadership will result in high levels of commitment, cohesion, trust, motivation and will also increase performance in the new organisational environments.

Apart from the study of the effective leadership approach, this research desires to identify the main factors that motivate employees to work. Since different people have different needs that encourage specific behaviour to fulfill their needs, it is imperative for organisations to understand key motivating factors and what actually influences employees’ choice of action. They can then implement appropriate strategies to motivate them at work; this would result in higher performance in organisations (Mackay, 2006). Stone (2010) states that the rapid changes in organisations nowadays require management to understand work motivation better than ever before. The objective of strategic business is to seek competitive advantage for the organisation and understand how to increase employees’ motivation in order to maximize the organisation’s productivity and improve customer service. Ahlstrom and Bruton (2010) believe that having the right motivation tool is important because it helps increase individuals’ effort to perform a task. Employees’ level of effort has a great impact on the degree of organisational performance and customer satisfaction. Thus, motivation is worthwhile for organisations to study and leaders should not assume any particular factors can motivate employees without doing appropriate research.

Daft and Pirola-Merlo (2009) point out that in order to develop organisational performance, it is significant to ensure whether employees are performing close to their potential. Therefore, developing the right leadership style that fits the particular organisational culture will increase subordinates’ sense of leadership, so that they feel that they are performing a vital task that is necessary for the organisation’s success. This helps motivate employees to have better attitudes and become more productive. Adeniyi (2010) notes that there is a strong connection between motivation and performance of employees, so leaders and managers should know what individuals value from their work so as to develop strategies that allow employees to achieve their needs and also to increase their performance.
1.2 Problem description

Lao People’s Democratic Republic (PDR) is in a period of dynamic change. Since the revolution in 1975, the country is making a gradual transition to a market economy and opening up to external trade and foreign investment. The government is attempting to develop the country to become a modern nation and aims to bring Laos out of the ‘least developed country’ status by 2020 (The United Nations, 2012). In early 2013 Laos became a full member of the World Trade Organisation (WTO) with an aim to improve the country’s products and services to attract more foreign direct investment to ensure the implementation of the national socio-economic development plan (Chanhchom, September 13, 2010; Kunze, 2013). Thus, the government requires organisations and businesses to improve their service and business performance, especially the service sector which is a key contributor to the GDP growth of the nation (Keovongvichith, 2012). The bank industry is one of the major factors boosting the Lao economic growth. Recently, due to huge support provided by the banking sector, there has been a large increase in domestic and foreign investments and each year the banking system has contributed a large amount of funds to a wide range of business sectors. Since the banking sector is involved in the development of the country, the Bank of Lao PDR strongly requires all commercial banks to put more effort into improving the soundness, efficiency and good performance of their business (Bank of the Lao PDR, 2011).

According to the Asian Development Bank (2011) the level of banking service and the financial system in Lao PDR is still low compared to international standards. Hence, there is a notable need for Laos, as a member of ASEAN (Association of Southeast Asian Nations), to conform to commitments under the agreement, especially to develop the national service performance, accuracy and a sound supervision of all financial institutions in the country (Transformational Index BTI, 2012). However, a survey about customer satisfaction, done by Keovongvichith (2012), reveals that the performance and efficiency of commercial banks in Laos is still low and there is a huge customer dissatisfaction regarding the low service of banks’ staff. The reasons behind this problem are mainly poor management in the organisation which affects its overall performance and the other main reasons are an insufficiently skilled workforce in the financial area as well as low motivation to work by staff in the banking sector (Keovongvichith, 2012).
Kunze (2013) points out that Laos still has a problem with the limitation of the nation's workforce and a high percentage of unskilled workers compared to the neighboring countries. Before the economic reforms of the 1980s, Laos had suffered the problem of brain drain where a large number of highly educated people migrated to other countries to pursue better lives and left only the people who had the necessary skills to work in the country (Gifford, 2003). According to the United Nations Development Programme (2006), improving human resources in the banking sector is proving to be problematic since there are insufficient finance professionals and teachers to teach students and bankers. Furthermore there are only two universities in Laos and few institutions that provide instruction about banking and finance. These institutions still rely on outdated teaching resources rather than applying modern study materials and many of the lecturers do not reach the standard of teaching and knowledge that is needed for training Lao students. This resulted in a short supply of qualified students who graduate in banking-finance and low numbers of skilled workers in this sector (Bank of the Lao PDR, 2008). Obolensky (2010) states that the skill and knowledge of workers have a strong relation to their performance and willingness to work. He explains that low skilled workers have low self-confidence as well as low motivation to improve their performance at work. In the circumstances, any effort they make might not lead to good performance as they lack belief and lack the necessary skills to accomplish the job (Elkin, Jackson, & Inkson, 2008). Hence, the businesses need to have effective leadership approaches and sound human resource management to handle the issue of low skilled workers and improve both individual’s and companies’ performance.

Apart from the concern about low skilled workers, there are other factors that can decrease the motivation of staff to work in the banking sector in Laos. The Transformational Index BTI (2012) notes that many organisations in the country often recruit staff, not because they are the most qualified and suitable for the job, but because of their political contacts or the competitive interests of powerful individuals. Hence, there is a feeling of inequity in an organisation since some groups of people have more power and more potential growth than others. In these circumstances, it is possible that staff will lose their sense of achievement and feel that they have a low opportunity for growth. This leads to low motivation at work and staff do not want to put much effort into increasing their performance (Anderson & Anderson, 2010). According to the researcher’s own experience, when working for a bank in Laos, the organisation experienced a high rate of staff turnover and it was noted that some employees appeared to put little effort into their work, and very few employees were
involved in the decision making in the organisation. Thus, the issues of the researcher’s interest revolve around how the bank’s leaders can apply effective techniques and motivational skills to increase employees’ sense of direction and commitment in order to motivate and improve staff performance in the workplace. Adeniyi (2010) notes that it is imperative for the leaders to be able to influence their followers to willingly accept moving in the same direction and to control their behaviour by using appropriate leadership approaches.

It appears that leadership and human resource management in organisations are new concepts for many businesses in Lao PDR. After many years of political turmoil, until the 1990s, the country’s leaders strongly focused on political issues rather than the national economy and there was very little emphasis on the development of business (Bank of the Lao PDR, 2008). In recent times many organisations, especially in the banking sector, have had to focus more on organisational management due to high competition in the banking industry (Keovongvichith, 2012). Bank of the Lao PDR (2011) indicates that there are more than 25 commercial banks running in Laos and these banks are now attempting to offer a wide range of financial services and products to their customers. Therefore, through information obtained from this research project, commercial banks in Lao will have more strategies to improve their business performance.

1.3 Aim and focus of the research project

This research project aims to establish which practical leadership styles the banking sector in Lao should apply to improve their employee performance and to increase motivation of the staff at work.

1.4 Objective of the research project

The main objectives of this research projects are:

- To understand the perspective of employees in the Lao banking sector about the importance of leadership.

- To explore current leadership styles in the existing banking sector.
➢ To identify the appropriate leadership style that employees prefer to be practised in the workplace.

➢ To investigate the main factors which motivate employees to work?

➢ To discuss challenges for leaders on improving their leadership and staff motivation in the workplace.

➢ To explore employees’ satisfaction towards their superiors’ leadership.

1.5 Research question

According to the research aim, the primary research question of this research project is

“What are practical leadership approaches that could impact on workplace motivation in the banking industry in Lao P.D.R.?”

1.5.1 Sub-research questions

In order to meet the above objective and answer the research question, the sub-questions to be asked are as follows:

➢ To what extent can leadership and employment motivation be improved in the workplace?

➢ What are the main factors that leaders need to consider to motivate employees to work?

➢ To what extent are employees satisfied with their current work and their superiors’ leadership practices?

1.6 Thesis overview

This thesis covers six chapters. Chapter one introduces the concept of leadership and its effect on workplace motivation and problems of current leadership in the Lao banking sector. It also presents the aims, objectives and research questions of this thesis.
Chapter two covers a literature review related to leadership styles, effective leadership practices to develop employment work performance, and various motivation theories in order to use them as guidelines for the analysis of this research project.

Chapter three focuses on the methods that are applied in the research in association with the reasons for using particular methods. It covers the significant approaches, especially sample selection, pilot study, data collection, and data analysis.

Chapter four presents the findings of the research (both interview and questionnaires survey) by applying different methods of data analysis to generate results that will be useful for the research.

Chapter five focuses on the discussion of the findings from data collection and analysis. The findings will be supported by the relevant literature in order to find answers for the research objective and research questions.

Chapter six presents conclusions drawn from the research as well as some of the recommendations about effective leadership practices for the Lao banking sector. Limitations of the study and further research opportunities are also discussed in that chapter.

1.7 Chapter summary

Chapter one presents the relationship of leadership and staff motivation at work. It also highlights some problems about current leadership practices and staff performance in the Lao banking sector. Furthermore, the aim, objectives and research questions of this study were established.

The next chapter focuses on the literature review in order to explore the direction and foundation for further analysis for this research project.
CHAPTER 2

LITERATURE REVIEW

2.1 Introduction

This chapter presents important literature and theories relating to the area of leadership and staff motivation in an organisation. The aim of studying the literature is to explore necessary theories to support the findings of the research and also help to answer the research objectives and research questions of the study. The following section explains in depth different leadership styles and motivation theories that apply in an organisation.

2.2 Leadership overview

In today’s fast changing environment, flexibility and adaptability are significantly important factors for organisations to survive and thrive. Organisations need capable leaders to monitor environmental change and provide the necessary force to encourage, motivate and inspire followers, and guide them in the right direction (Adeniyi, 2010; Anderson & Anderson, 2010). Northouse (2012) suggests that it is even more imperative than ever before that organisations have strong leaders in order to provide a direction to achieve a set goal. Therefore, many people have become more interested in the concept of leadership and how to be a good leader. David and Stanley (2013) discuss that in order to ensure good quality management for an organisation, it is imperative to have effective leadership that will produce a positive business outcome, such as high levels of productivity, effective and efficient use of resources, high levels of quality, and positive ‘can do’ attitudes.

2.2.1 Defining leadership

Due to the inherent complexity of the term ‘leadership’, there is no specific concept for this term and different scholars and other writers define the term leadership in different ways (Northouse, 2012; Sergiovanni, 2007; Vanourek, 2010). According to Nel et al., (2012), leadership entails a process whereby one individual influences others to willingly and
enthusiastically direct their efforts and abilities towards attaining defined group or organisational goals. According to Daft and Pirola-Merlo (2009), leadership is an interpersonal connection between leaders and followers that empowers the motivation and inspiration to achieve common goals. Furthermore, leadership involves building followers and providing them with guidance to behave in the way that is suitable in the organisation. Nelson and Quick (2013) say that, leadership in an organisation is defined as the process of directing and guiding the employees’ behaviour in the work environment. Armstrong (2012a) agrees and points out that good leadership skills should include the ability to inspire others to behave differently, clarify what needs to be done and why, communicate a sense of purpose to the team, and get the team into action.

David and Stanley (2013) state that leadership is the ability to inspire people to make a total voluntary and willing commitment to accomplish organisational goals. David and Stanley (2013) also explain that defining leadership should involve the ability to inspire employees rather than motivating them since inspiration is a higher order of human interaction than motivation. This is because motivation is a temporary response to the external push factors but inspiration means motivation that comes from within. Velsor, McCauley, and Ruderman (2010) note that traditionally leadership has been defined as the process and ways by which leaders influence people to achieve shared goals. However, Velsor et al. (2010) is of the view that “leadership is the process of producing direction, alignment, and commitment (DAC) in collectives” (p.11). This view tries to extend the basic concept of leadership from a particular process to any processes that produce DAC in an organisation.

2.2.2 Approaches to conceptualizing leadership

According to Daft and Pirola-Merlo (2009) the four following approaches conceptualize leaders and ways they control employees’ behaviour. Firstly, the trait approach, also called ‘Great Man’ approach, focuses on leader’s characteristics such as integrity, intelligence, self-confidence, determination, initiative, diligence and sociability (Northouse, 2012). This type of leader influences subordinates by showing their abilities and encouraging followers to work effectively on the given tasks. Secondly, the behaviour approach focuses on a leader’s attitude and the behavioural towards their work and their subordinates in different situations. Northouse (2012) explains that this approach classifies leaders into two main types, namely task behaviours and process behaviours. Leaders with task behaviour encourage followers by
involving them in activities of an organisation to ensure jobs get done and goals are accomplished, whereas leaders with process behaviours get along well with their subordinates and create a good working environment in an organisation.

Thirdly, the contingency, or situational, approach considers which leadership style is appropriate in various situations. Leaders have different relationships with their subordinates in different circumstances and environment so leaders can analyse the situation and adapt their behaviours to suit a particular situation to ensure effective outcomes. Fourthly, the influence approach looks at an interactive process between the leaders and the followers. Leaders can influence subordinates in a number of ways such as providing vision, mission and promoting ethical practices which can change an organisational culture and their subordinates’ behaviour.

Furthermore, according to Northouse (2012) leaders can be conceptualized in two approaches, namely relational and skills. The relational approach examines the relationships between leaders and followers rather than focusing only on what leaders do to followers. It means that both leaders and followers are affected by each other in different situations. This approach has the view that interpersonal relationships are the most crucial part of effective leadership. Whereas the skills approach focuses on the competence of a leader who has many skills. The skilled leaders often have interpersonal skills, administrative skills and conceptual skills. While the first two skills are the ability to deal with people and work, the last one focuses on ideas and concept. Thus leadership influences subordinates by providing vision, managing people and solving conflict.

2.2.3 Difference between Leadership and Management

Gill (2011) note that some people confuse the terms management and leadership. The relationship between these two concepts is therefore a continuing topic for discussion among academics. Kotter (2012) is of the view that many organisations today do not have much leadership and management was more emphasized in organisations because it is easier to practice than leadership. Kotter (2012) points out further that to be a good leader and manager, it is important to understand the difference between these two concepts. Management is about coping with complexity and a process to keep a complicated system of
both people and technology running smoothly. The most importance areas of management include planning, staffing, organizing, budgeting, and problem solving. On the other hand, leadership is about coping with change and creating visions to direct organisational change. Leadership inspires and motivates people to want to accomplish the setting of goals (David & Stanley, 2013). In the words of Peter Drucker and Warren Bennis as cited in Adeniyi (2010) it is stated that “a manager is doing things right; a leader is doing the right thing” (P.19). Nevertheless, both leaders and managers are needed in any workplace and share the similarity that they are both involved in decision making, creating sound relationships in the organisation to ensure people can accomplish their job and organisational goals (Kotter, 2008).

2.3 Inspirational leadership theories

The research question of this study is to explore practical leadership approaches that could impact on workplace motivation in the Lao banking industry. Hence, it is imperative to understand inspirational leadership practices that enhance workplace motivation. Lovegrove (2010) explains that inspirational leadership refers to the process by which leaders inspire employees to perform to their utmost best. Hence, David and Stanley (2013) suggest that to improve workplace motivation, it is important to understand three main inspirational leadership theories including, charismatic leadership, transformational leadership and authentic leadership.

2.3.1 Charismatic leadership

Charismatic leadership has long been of interest to researchers studying social movement, political leadership and religious cults. However, in recent times, numbers of researchers have also studied the role of charismatic leadership in organisations because this type of leadership has a great influence on followers’ commitment and energy to work (Daft & Pirola-Merlo, 2009). Charismatic is difficult to define. Griffin (2011) describes charisma as an individual characteristic of a leader and a form of interpersonal attraction that influences subordinate behaviour. Leaders with charisma tend to have a lot of self-confidence, good communication skill and are able to inspire followers to increase their work performance. Daft and Pirola-Merlo (2009) explain that charismatic leaders have the ability to motivate people to have more commitment to work and inspire followers to work more than they would normally do. Charismatic leaders have a strong emotional impact on subordinates
because they apply both heart and mind to lead their subordinates. David and Stanley (2013) suggest that charismatic leadership occurs when leaders use their personalities and talents to affect followers. Charismatic leaders often communicate high expectations for employees, and they express confidence in subordinates. This behaviour can increase employees’ sense of competence and self-efficacy (Northouse, 2010).

Crandall (2010) observes that even though charisma can be used to benefit an organisation, it can also be dangerous because the basis of charisma is emotional rather than rational or logical. The leader may use his or her charisma to gather support for self-serving purposes which lead to manipulation, deception and exploitation of others and researches have shown that personalized charismatic leaders have a major impact on long term organisational performance.

Daft and Pirola-Merlo (2009) state that it is imperative to understand some important characteristics and behaviour of charismatic leaders to become a stronger leader. Charismatic leaders create an atmosphere of change and act in unconventional ways and employ unconventional means to improve the situation and create change for their organisation. Charismatic leader are also able to inspire subordinates with belief in their goals, even if they are challenging and they have an ability to communicate complex ideas in a compelling way, so that their followers can understand their message. Another significant characteristic of charismatic leaders is that they influence others by using personal power rather than position power. Followers admire them, not because of the power and authority granted by the organisation, but because of their knowledge, experience and personal character (Nelson& Quick, 2013).

2.3.2 Transformational leadership

Transformational leadership is one of the current and well known approaches to leadership since the early 1980s. This leadership is also part of the new leadership paradigm because this leadership style emphasizes follower development and intrinsic motivation which fits the needs of today’s employees. Transformational leadership is concerned with emotions, ethics, values and long-term goals; and it also includes assessing follower’s motives and satisfying their different needs (Northouse, 2010).

Transformational leadership is in contrast with transactional leadership which focus on the exchange that takes place among leaders and followers. This exchange is particulary based on the discussion between leaders and followers about the specific requirment and specifying
the conditions and rewards that employees will receive if they fulfill those requirements (Evans, 2009). However, transformational leadership is the process that transform people and motivates employees to commit an organisational’s visions and goals. Transformational leaders develop their followers’ leadership by mentoring, coaching and also providing both challenge and support (DuBrin, 2013).

Transformational leadership is closely related to charismatic leadership because these two leadership styles rely strongly on the individual leader’s personal characteristics (Landy & Conte, 2009). However, transformation leadership is a slightly broader concept and this type of leader inspire their subordinate not just to follow them personally but by helping followers become leader themselves and also making them believe in the organisational goals. Transformational leaders also motivate followers to work for the benefit of the whole and go beyond their own self-interest (Daft & Pirola-Merlo, 2009).

Nel et al., (2012) point out that transformational leadership is also called ‘visionary leadership’. This style of leader is able to communicate a vision or dream for the organisation and they act as a coach and role model to inspire employees to enthusiastically contribute towards achieving the organisational goals. Puccio, Mance, and Murdock (2011) explain that transformational leadership is a process whereby an individual creates a connection with others and increases the level of motivation for both leaders and followers. Transformational leaders have the ability to inspire followers to high levels of performance by helping employees develop their potential, inspiring vision, showing optimism about the future and empowering followers to make change happen. Employees who work for transformational leaders are more motivated, satisfied, and perform better (Daft & Pirola-Merlo, 2009).

Northouse (2010) claims that since transformational leadership covers a wide range of characteristics and activities, it lacks conceptual clarity. Therefore it is difficult to define the exact parameters of this leadership style. Transformational leadership is unlike other leadership approaches, such as situational leadership and contingency theory which provide a clear definition of how leaders should practice in a particular situation. Transformational leadership provides general approaches to leadership which emphasizes inspiration, innovation, ideals and individual concerns.
2.3.3 Authentic leadership

Härtel and Ganegoda (2008) define authentic leadership to be “those individuals who are deeply aware of how they think and behave and are perceived by others as being aware of their own and others’ values/moral perspectives, knowledge, and strategies; aware of the context in which they operate, and who are confident, hopeful, optimistic, resilient, and high on moral character” (p.159).

David and Stanley (2013) suggest that authentic leaders are self-conscious and lead from their core values, so this kind of leader has a high sense of moral right and wrong, honesty and integrity. Authentic leaders motivate followers to increase their performance by building a workforce with high levels of hope, optimism and self-efficacy. Wilde (2013) shares the same point of view and adds that authentic leaders focus mainly on positivity, transparency and high ethical standards. This kind of leader is able to achieve successful social identification through their openness, directness and commitment to their follower’s success.

Wilde (2013) explains further that benevolence, trustworthyness and integrity are the crucial characteristics of authentic leaders. These characteristics have a positive affect on the employees’ psychological and emotion make-up which consequently produces an optimistic work attitude as well as a good relationship between leaders and followers. Härtel and Ganegoda (2008) add more that when leaders are morally mature, followers also tend to practise a higher level of moral reasoning. Employees’ optimism is significant for an organisation because of their higher work performance, motivation and job satisfaction. Therefore, in order to develop authenticity in followers, it is imperative that leaders should be aware of and improve their ethical practice by increasing positive modeling, self-awareness, and self-regulation.

In addition, Northouse (2010) points out that there are five basic characteristics of authentic leaders namely; establishing trust relationships with followers, acting on their values, understanding their purpose, valuing moral right and strongly valuing their mission. From the transparency and caring climate produced by the leaders, followers will experience positive emotion and trust the leadership. George (2010) states that many people are confused in their understanding of the purpose of leadership. However, it has been suggested that authentic leaders should first understand themselves and their passion which results in recognizing the way to lead a team and understand clearly the purpose of their leadership. Furthermore,
George (2010) also suggests that to be an authentic leader, an individual should be leading with heart. It means that leaders must have a passion for work, empathy and compassion for the followers, and encourage subordinates to make difficult decisions.

2.4 Leadership styles

In order to answer the second research objective, to explore current leadership styles in the existing banking sector, it is necessary to understand different leadership styles to clearly explain how the managers execute their leadership styles in the workplace. David and Stanley (2013) discuss leadership style as a process of interaction between leaders and subordinates. Leadership styles have many different names. However, the five most well-known approaches to understanding different leadership styles are autocratic, democratic, participative, goal-oriented and situational leadership which are shown in Figure 2.1.

Figure 2.1 Leadership Styles

Source: David and Stanley (2013, p. 129)
2.4.1 Autocratic leadership

Daft and Pirolla-Merlo (2009) define that “an autocratic leader is one who tends to centralize authority and derives power from position, control of rewards and coercion” (p.42). Adeniyi (2010) points out that autocratic leadership sometimes is also called ‘directional leadership’. Leaders who use this approach lead by telling others what to do and they will make decisions without consulting the employees who will be affected by them. Gill (2011) criticizes this approach, saying that it can work well only in the short term, but it is not effective for long term management and it is not appropriate for improving quality of work.

Bass and Bass (2009) propose that authoritarian or autocratic leaders believe their task is to make decisions and take full responsibility for decisions and subordinate performance. This type of leader does not share power and discourages followers from contributing to the decision process. Bass and Bass (2009) point out further that an autocratic leader is task-oriented. They pay more attention to production rather than to their subordinates’ needs. Moreover, this type of leader can be described as directive, coercive and persuasive, initiators of structure, and goal emphasizers. The study of Einarsan, Hoel, Zapf, and Cooper (2010) suggest that the dark side of the autocratic leadership style is that they create a climate of fear and distrust in their subordinates, where there is no or little room for dialogue. The study also shows that in a fear-based organisation, work-related concerns are hidden because employees are afraid to speak up or share their ideas with leaders. Daft and Pirolla-Merlo (2009) state that fear in the workplace can prevent employees from doing their best, from challenging, from taking risks and changing the status quo. It also creates an atmosphere in which employees feel powerless which diminishes their confidence, enthusiasm, commitment, imagination and motivation.

According to Pride, Hughes, and Kapoor (2009), autocratic leaders execute significant tasks themselves, and only let subordinates follow their decisions. This kind of leader is afraid of working with employees who are better than themselves and often do not accept the ideas of coworkers who are in lower positions. A study done by Pride et al. (2009) also reveals that most employees lose their work motivation when working with autocratic leaders and this leadership also makes them stressful which results diminished performance at work.
2.4.2 Democratic leadership

Pride et al. (2009) define a democratic leader as “one who holds final responsibility, but also delegates authority to others, who help to determine work assignments; communication is active upward and downward” (P.171). Democratic leadership is also known as ‘consensus’ or ‘consultative’ leadership. Leaders take this approach to allow employees, who work in the particular area, to be involved in decision-making. Leaders will make the final decision only after receiving the recommendations of team members (Western, 2008). However, David and Stanley (2013) believe that the best decision does not always come from the majority agreement. Thus, this approach can result in the making of popular decisions rather than the right decision and this style can ultimately lead to failure to produce the desired results.

Pride et al. (2009) discuss democratic leadership style as being an active communication between leaders and followers. Leaders take final responsibility but also provide authority to subordinates, who determine task assignment. Northouse (2012) also points out that democratic leaders do not apply a “top-down” communication approach, but they give priority to allowing subordinates at all levels to speak out and also promote communication among the group members. Northouse (2012) discusses furthermore that democratic leaders try to work with followers and tend not to control their subordinates. Leaders in this style encourage followers to work on their own. They do not place themselves above subordinates and they see themselves as guides who should provide suggestion, guidance and information without giving orders or display any intention of forcing followers. Crisp and Turner (2010) propose that the democratic leadership style was the most popular with employees because such leaders created a co-operative, friendly and task-oriented atmosphere where group members feel the contribution of their ideas and knowledge is significant. Moreover, under this leadership style, group members are able to perform well without close supervision from the leaders.

Pride et al. (2009) comment that democratic leadership encourages employees to have high commitment in their work because all subordinates are then involved in the decision-making process. However, this leadership style has its drawbacks. Pride et al. (2009) criticize that the decision making in this leadership style takes up time that employees could be applying to the
work itself and it also takes time for employees to explain their point of view and for others to understand the main points. Thus, this leadership style does not fit in the organisations that are in urgent situations. Crisp and Turner (2010) note that democratic leadership styles can be more effective only when a group is stable. In addition, a high amount of expertise is required to produce good decisions. If the group members are inexperienced, this leadership style is not very effective.

2.4.3 Participative leadership

Obolensky (2010) points out that those leaders who use this approach apply little control over the process of decision-making. Participative leaders concentrate mainly on moving the team toward consensus rather than having control over all tasks. Leaders will allow and empower team members to help develop solutions and strategies after they provide information about the problems. Pride et al. (2009) define participative leadership as “a leadership style in which all members of a team are involved in identifying essential goals and developing strategies to reach those goals” (p.180). Wart (2012) explains that participative leaders consult with followers and take their ideas into account. The leaders give advice and suggestions rather than direction, and create a friendly, co-operative and creative work environment for the whole team. The behaviour of participative leaders includes consulting, co-ordinating personnel, motivating, managing conflict, building and managing the team, developing staff and managing personnel change by involving subordinates in change decisions. Wart (2012) also explains that participative and supportive styles are similar. However, supportive styles are concerned with listening and empathy, but participative styles emphasise discussion and problem solving.

However, Adeniyi (2010) notes that this approach is very time consuming and will work effectively only if all employees involved are committed to the organisational goals. Wart (2012) criticises leaders who always use a participative style as it may be inefficient in a time of pressure. Sometimes a group want leaders to make decisions rather than employing a time consuming group process. Segers, Prins, and Brouwers (2010) note that the participative leadership style might not be appropriate in some situations because this approach assumes that group members have the necessary skills and knowledge to be involved in the decision making process, which can result in difficulty for the employees and organisation if they don’t.
Ricketts and Ricketts (2010) say effective leaders who are employing the participative style are able to understand and communicate clearly about the objectives and goals of the organisation. Thus, they can draw upon the knowledge and ideas of the group members about implementing changes. Pride et al. (2009) suggest that communication in participative organisation is very active upward and downward. Thus, coaching, negotiating and collaborating are essential skills for participative leaders. Ricketts and Ricketts (2010) propose that employees who work for participative leaders will feel that their ideas are significant and they perceive that they have been trusted to make good decisions, so they will develop feelings of self-esteem. They will also believe in their own abilities and have respect for themselves.

2.4.4 Goal-oriented leadership

David and Stanley (2013) state that leaders in this style require team members to focus solely on the organisational goals and minimize their concentration on the influence of other factors that are unrelated to the specific goals. Ronald (2010) describes that a goal-oriented leadership style concentrates on process and structure, especially on what to do, how to do it and who will do a task. Leaders who have this style focus on making decisions and directing their followers. According to Cassidy and Kreitner (2009), goal setting in an organisation is the process of developing employees’ job performance with objective, deadline and quality standards. Cassidy and Kreitner (2009) points out further that, under the goal-oriented leadership, leaders will set challenging task goals, emphasize excellence in group performance, seek to continue task improvements, and show confidence that subordinates perform well.

Hallinger (2010) discusses the main role of goal-oriented leaders as being a director and producer. They have high levels of productive energy, so they try to articulate determination, motivate a member to give their best effort toward achievement, and communicate high performance expectation to followers. Furthermore, Gunduz (2012) states goal-oriented leaders also sustain an organisational vision for the future. Thus they can influence subordinates to achieve outstanding accomplishments by showing a vision and sense of mission, and urging subordinates to develop new strategies. Wildermuth and Mello (2010) observe that individuals who focus on goals tend to be more conscientious and find it easier
to succeed. Highly conscientious employees are able to effectively plan their work day, focus on objectives and be more successful in an uncertain environment.

David and Stanley (2013) criticize using this approach as it has high potential to create problems and team members are often centered on the wrong concerns. This is because team members are too narrowly focused and often overlook opportunities and problems that fall outside of their concern. However, Gunduz (2012) observes that goal-oriented leadership is more effective when applied in a situation of uncertainty because it facilitates directive, specific and task-oriented instruction to employees who are experiencing low self-esteem. Therefore, it is imperative that leaders need to apply goal-oriented leadership by building confidence in followers and encouraging them through effective communication and persuasive language. Cooper (2010) suggests that, to solve organisational problems in times of uncertainty, it requires leaders who have vision and are able communicate ideas and values with subordinates regarding the organisational goals.

2.4.5 Situational leadership

Lussier (2011) states that, for many years, numbers of literature studies attempted to discover the best leadership style in all situations, but it appears that there is no single leadership style that is suitable to fit all situations. Leaders need to employ different leadership styles in different circumstances. Thus, Lussier (2011) defines that situational leadership as the approach that attempts to determine the most appropriate leadership style for particular circumstances. Situational leadership is also called ‘contingency’ leadership. Leaders who apply this approach can determine what leadership style is most suitable and an appropriate fit in particular circumstances, so the same manager would apply different styles (Obolensky, 2010). According to Hellriegel and Slocum (2008), leaders who are practicing situational style should consider the situation before determining which leadership style to employ, and they should also be flexible and matched to the different readiness level of employees.

Lussier (2011) points out that there are some popular situational approaches, including the leadership continuum, normative leadership, contingency theory, and path-goal theory. The contingency theory of Fiedler explained this leadership style and pointed out that for leaders to be effective they must know when to use relationship or task-oriented styles at different times to accommodate the readiness level of their followers (Daft & Pirola-Merlo, 2009).
More specifically, the task-oriented style includes using one-way communication, telling subordinates what, where and when to do the tasks, and spelling out duties. In contrast, relationship-oriented style includes employing two-way communication, encouraging, listening, giving emotional support, and involving subordinates in the decision making process. An effective leader should know how to use different degrees of task-oriented and behaviour-oriented style in various situations (DuBrin, 2010).

Another theory that deals with situational leadership style is the path-goal theory which elaborates that leaders should increase the motivation of followers by understanding and clarifying their values and desired rewards (Gill, 2011). Shriberg and Shriberg (2011) state that “successful leaders support followers by creating clear goals and establishing a clear path to achieve these goals” (p.72). Path-goal theory seeks to match different leadership approaches with particular situations. Hence, the theory has similarity to situational leadership. Northouse (2010) explains that situational leaders are able to determine the nature of situations and address various questions such as what tasks are followers to perform? Do the followers have sufficient skills to achieve the tasks? How difficult is the task? And do followers have a desire to accomplish the task once they start it? These questions will help leaders understand correctly the developmental level of their subordinate, so they can adapt their leadership style to match that development level.

2.5 Leadership for quality

To answer the third research objective, to identify the appropriate leadership style that employees prefer to be practiced in the workplace, the reader need to be clear on the elements of leadership for quality. David and Stanley (2013) explain that leadership for quality is therefore about applying leadership principles to continually improve the performance of employees and other aspects such as productivity, service, longevity and work processes. There are several elements of leadership for quality. These are discussed in the next section.

2.5.1 Performance management

Cintrón and Flaniken (2008) state that leadership in business is about ensuring that the organisation can operate at peak performance, so it is imperative for leaders to frequently evaluate the performance of employees and determine appropriate tools and types of data
collection to evaluate performance appraisal. Griffin (2011) states that poor performance can occur at any time with all employees. The task of leaders or managers is to make a judgement on subordinates who are performing at a lower level than expected. Leaders can use performance appraisal to inform followers about their rates of growth, their potential and their competencies in order to enable employees to understand their performance and create individual development goals to improve their performance.

Yost and Plunkett (2011) suggest that organisations should have an effective performance management process and should consider having four basic elements that are needed for a performance management system, such as strong performance goals, ongoing feedback and coaching, an accurate evaluation process, and a reward system. Walker (2011) points out that goal setting is a motivational tool in the workplace and it helps employees regulate their own work and job performance. In each year, it is imperative that leaders and followers discuss work planning and the goals of the team in order to help employees clearly understand their individual goal which will make them become more engaged with their job. Smither and London (2009) note that most companies experience a remarkable increase in organisational and employee performance when they create effective individual employee goals and link them to the overall strategy of the organisation.

The Institute of Leadership & Management (2013) says that apart from setting goals of employee performance, leaders and managers should also be responsible for providing on-going feedback and coaching for their subordinates. These activities are used to enhance appropriate behaviour, to teach group member new skills, to motivate employees to develop their performance, as well as to improve a deficient performance.

Pulakos (2009) is concerned that it is significant for an organisation to regularly evaluate employees’ performance because this is a tool to enhance employee commitment and to identify employee development opportunities. In addition, it is even more imperative to have accurate evaluation processes in order to truly reflect employees’ level of performance. Solomon (2009) suggests that performance management is most accurate and effective when employees are involved in discussion about their individual performance expectation. Leaders should involve employees in the performance evaluation process since employees are more likely to want to have their voices heard. When employees have been involved they will understand the process and trust the system.
Furthermore, Walker (2011) states that to ensure having an effective performance management process, leaders should have a strategic reward system for subordinates that addresses the area of benefits, compensation, appreciation and recognition. The reward system needs to be consistent with other HR systems and should be fair, reasonable and reliable for every staff member in an organisation. Armstrong (2012b) suggests that leaders should not assess employees’ performance only on the results of their overall team achievement but also on the level of individual performance contribution in the team because being part of a high performance team can be a reward in itself.

2.5.2 Motivation and empowerment

One of the characteristics of effective leaders is the ability to motivate and inspire followers to make a commitment. Leaders should be able to understand individual’s needs and their personal beliefs in order to relate both these characteristics to the organisational goals. Leaders can develop their level of understanding of the needs of employees by observing, asking, listening and establishing trust (Shelton, 2012). The research done by Mayfield and Mayfield (2009) reveals that there is an interconnection between employment motivation, organisational performance and profits. When employees are motivated by rewards and motivating language, their job satisfaction will be increased and they will perform at their peak which will result in increased customers loyalty, higher profits and a low level of staff turnover. A key approach that leaders can apply to meet the higher motivational needs of employees is to share power and authority with employees by shifting power down from the top of the organisational hierarchy. This way can help employees understand how their jobs are important and they will fully engage with their work so their satisfaction and performance will increase (Daft & Pirola-Merlo, 2009).

Shelton (2012) proposes that empowerment provides strong motivation to employees since it meets individuals’ needs, especially the need for self-efficacy, which makes people feel they are effective. Empowerment also increases the power in an organisation because if every member of the organisation has power, then the organisation will be more powerful. Saxena and Awasthi (2010) define empowerment as “the process that provides greater autonomy to employees through the sharing of relevant information in the provision of control over factors affecting job performance. This allow employees to have more control and sense of responsibility over their work” (p.155). Therefore, Brady (2009) suggests that one of the
goals that leaders should consider is to create a work environment in which employees are empowered, contributing, productive, and happy. Leaders should inspire employees to take action and make them feel that their actions count. Kanfer, Chen, and Pritchard (2008) state that the role of leaders is to shift from control to coordination and facilitation of work processes. Leaders should minimize the focus on decision making and place more emphasis on good communication, training and leadership. Moreover, leaders should also help subordinates to improve their skills and confidence to make good decisions and to increase their full potential.

Saxena and Awasthi (2010) note that there are some main issues that cause employee empowerment to fail. One is lack of training and information sharing. If employees cannot gain access necessary training, information and learning opportunities they are not likely to make good decisions. This will cause leaders to doubt their subordinates’ abilities. Another barrier is that most leaders do not understand the real meaning of empowerment and they fail to establish boundaries of empowerment for subordinates in their absence. Thus, leaders should be concerned about these barriers otherwise employee empowerment effort could fail. Brady (2009) suggests that one of the broad approaches to empowerment is to align employees with the organisation’s goals, mission, vision, values, and clarity in mutual expectations. Moreover, leaders should help subordinates achieve job mastery by providing necessary training and coaching. Leaders should also give emotional support and provide reduction of anxiety.

2.5.3 Leadership communication

Effective communication is a significant element of leadership and an important factor to build trust and gain commitment to the vision. Leaders should be able to communicate with other stakeholders in such a way that they are motivated and influenced to perform actions that help to accomplish common goals (Pauley & Pauley, 2009). Leaders can ensure good communication by actively listening to employees and trying to understand their needs, attitudes and values, desires and personal goals, and then select the appropriate channels of communication to facilitate dialogue. Walker (2010) comments that active listening is an important part of successful interpersonal communication. Hence, leaders should develop active listening skill by listening with purpose, totally focusing their attention on the
conversation, using eye contact, paraphrasing the message both mentally and verbally, asking questions and giving positive feedback to followers.

Pauley and Pauley (2009) recognise that the communication channel is significant when giving feedback to employees. There are four main types of communication channels, namely directive, requestive, nutritive, and emotive. In order to ensure that all group members understand the message clearly and correctly, leaders should individualize the way to communicate with subordinates by employing the preferred channel of each person. Daft and Pirola-Merlo (2009) suggest that leaders can enhance communication effectiveness by using channel richness where the information can be transmitted during a communication period. Shriberg and Shriberg (2011) report that face-to-face communication is the richest medium as it provides multiple information cues, direct experience, immediate feedback and personal focus. Face-to-face discussion can also facilitate emotional understanding of the situation.

Daft and Pirola-Merlo (2009) point out that leaders should create an open communication climate which mean that leaders break down communication barriers and share all information throughout the organisation, especially across hierarchical level. Therefore, Leaders should support and encourage communication across group, divisions and department in order to helps group members see a clear direction and understand how they can contribute. Moreover, leaders create an open communication climate by sharing information throughout the organisation to help employees know how their action affects the business which make them become more effective followers (R. Walker, 2011). According to Daft (as cited in Atwater & Waldman, 2012), “open communication improve the operations of an organisation, builds trust, spreads knowledge, and provides a foundation for communicating vision, values, and other vital big-picture information” (p.5). Atwater and Waldman (2012) discusses that giving feedback is significant but receiving feedback, both positive and negative, is also considered to be important in developing self-awareness. Leaders should be open minded and willing to listen to feedback from employees because feedback is the primary source of leadership development and also helps leaders be aware of and recognize their own strengths and weaknesses.

2.5.4 Ethical leadership

Leaders should understand the influence of moral leadership to an organisation. Grover and Moorman (2009) note that followers perceive leader’s honesty from their behaviour and it is
believed that employees are motivated to work better by leaders who have an integrity image. Gini (2010) shares the same view that ethical leaders have a great influence on ethical culture in a workplace because leaders can create vision and be role models for their subordinates. Therefore, it is vital for a leader to develop the image of integrity leadership. Trevino and Nelson (2010) point out that most employees perceive leader’s ethical behaviour from formal leadership roles. Therefore, a person in the senior level should develop a reputation for ethical leadership by communicating a strong ethics message and being visible on ethical issues that appear in an organisation. A study by Cremer (2009) illustrates that there is a strong relationship between ethical climate and employee satisfaction, job attitudes and ethical behaviour. The research found that an ethical climate in an organisation leads to more satisfied employees. In addition to job satisfaction, the study also found that an ethical climate in an organisation lead to higher levels of work commitment and lower rate of turnover.

Moral leaders value ethics and always remind to their subordinates of ethical practices and support ethical behaviour or reward them if they act ethically. According to Nel, Nel, & Du Plessis, (2009), moral leaders should not act ethically just to avoid criticism but should be honest and truly fair to every employee. Ethics training is one of the most effective strategies to improve staff’s knowledge on ethical behaviour and to create an ethical culture in an organisation (Kick, Fraser, & Davis, 2006; Segon, 2004). In addition, Nel et al. (2009) point out that ethics training provides many benefits such as raising awareness on the importance of corporate ethics and ethical issues, supporting corporate values and improving judgment of people on ethical practice. Furthermore, leaders should review and develop the most suitable confusing and should present clear understanding for every party (Mondy & Mondy, 2012). Moral leaders develop the ways to monitor employees’ ethical and unethical performance. Managers should always give appropriate feedback on their employees’ performance and discuss ethical behaviour with them in order to ensure that they are always aware of moral practices (Dessler, 2009).

Another important idea is that leaders should make employees feel comfortable about sharing information about unethical behaviour in an organisation (Daft & Pirola-Merlo, 2009). Wittmer, (2010) states that leaders should establish channels for employees to report unethical behaviour in the organisation and should create a culture of trust by giving an opportunity for employees to report unethical behaviour by staff members in an organisation.
One strategy to support employees to disclose unethical practices without fear is to have a ‘whistle-blower’ which is a centre for managing the issues (Daft & Pirola-Merlo, 2009). Pepper (2010) suggests that leaders should encourage employees to ask about any doubtful moral questions in order to avoid unintentional wrongful practices. Leaders should acknowledge that the more ethical questions are asked, the fewer ethical dilemmas will occur in an organisation.

2.5.5 Team work

Gill (2011) notes that successful teams begin with effective leaders so leaders should be confident, communicate clearly and have a compelling vision for the team members to help them see their work as important and meaningful. Furthermore, leaders should make room for all employees to contribute in team decision-making and provide them with good support and the necessary training to improve their skills. Armstrong (2012b) points out that leaders should ensure that team members have a similar level of skills and skill potential so that they can interact and support each other better. Leaders should avoid any conflicts that might happen in a team by employing useful techniques, such as negotiation, bargaining, third-party mediation and facilitating communication.

West (2012) said that team leaders should use appropriate strategic intervention to give direction and motivate the team. The team leaders encourage group members to work as a team in supportive and collaborative ways and leaders should ensure that the team members are clear about the group’s direction, individual team members’ goals, and team objective. In addition, for effective team function, leaders should ensure that each member’s roles and tasks are meaningful to them and are giving them opportunities for growth. Maxwell (2009) states that the team leaders play a vital role in ensuring that all members contribute to team objectives and do formal evaluation so that all members can have clear feedback on their own performance. Constructive feedback about members’ performance should be taken regularly via the annual appraisal, though more frequent feedback is more valuable.

Nel et al. (2012) discuss that although all team member receive necessary training about team work, team leaders should receive extra training in interpersonal relations, leadership, problem solving, facilitation, conflict handling, and coaching. Fraher (2011) observes that being a team leader is a challenge, especially when group members are from different geographical locations which may cause problems by culture and language differences.
Hence, leaders should use appropriate and varied style to address conflict. Nel et al. (2012) point out further that team leaders should be aware of the group dynamics, and handle issues that could affect the team’s performance and should make sound decisions in order to reach team goals.

2.6 Motivation overview

This section is aims to answer the fourth research objective which is to investigate the main factors that motivate employees to work. It also attempts to answer the sub-research questions, especially to explore the extent to which employees are satisfied with their current work and their superior’s leadership practices.

The rapid changes in organisations nowadays require management to understand work motivation better than ever before. Stone (2010) states that the objective of strategic business is to seek competitive advantage for the organisation, understand how to increase employees’ motivation to maximize an organisation’s productivity and improve customer service. Employee motivation is considered to be the most challenging task for human resource management as it is difficult to understand why some people have a strong desire to work and want to increase responsibility, while others are passive and lack of ambition. Thus, for leaders and managers who want to improve the performance of their employees, it is imperative to recognize that all management activities such as job design, benefit programmes, training, pay, organisation structure, management style and leadership all impact on employee’s motivation (Stone, 2010).

There is no one right answer for motivation as a human being is very complex and there are many aspects that influence human behaviour (Mills, Helms Mills, Forshaw, & Bratton, 2007). Some people say that managers can motivate their employees but some disagree with this statement. Nel et al. (2012) state that managers cannot motivate their subordinates since motivation comes from within the individual and employees always motivate themselves to become whom they wish to be. Employees can develop their self-identity in a constructive way so their value system will motivate them to work and see their performance as important to self-worth. Nel et al. (2012) further point out that managers should help their employees to find out their identities in their work, so they can motivate themselves to help achieve their organisation’s goals. However, there are a number of scientific studies about this that present many theories to help us understand the motivation of individuals.
2.6.1 Defining motivation

There are no specific definitions for motivation and different scholars have defined it from different angles. According to Mills et al. (2007), motivation is an individual’s effort to increase work results and to achieve the set goals. It has been related to their characteristics such as self-efficiency, self-determination and persistence. Shrividhya and Priya (2012) state that “motivation is the process of getting other people to do what one wants them to do” (P.122). However, Mawoli and Babandako (2011) argue that motivation is driven from the inner self rather than by external factors. Traditionally, there are two types of motivation which focus on internal and external motivation or it refers to “carrot and stick” approaches which means promising rewards or threatening punishment (Mills et al., 2007). There is a major difference between internal motivation (carrot) and external motivation (stick).

Fuhrmann (2006) points out that ‘carrot’ is a form of intrinsic motivation that people generate from inside when they are interested or enjoy engaging in a task. Intrinsic motivation includes a high sense of responsibility, challenging job, accomplishment and a need for independence (Isen & Reeve, 2006; Shrividhya & Priya, 2012). However, external motivation is referred to stick or a movement from outside or by other people. External motivation includes salary, rewards, promotion, praise and even punishment (Adler & Gundersen, 2008). Many organisations employ extrinsic motivation to attract new employees and to encourage their existing staff to put more effort into their job to reach an organisational goal (Tremblay, Blanchard, Taylor, & Pelletier, 2009). Nevertheless, extrinsic motivation is viewed as a less effective approach and it works only in the short term since it is not a motivation but a threat such as deadline, pressure and directive to force an individual do something (Carreira, 2005). Hence, many scholars believe that intrinsic motivation is more effective and has a greater impact on individual performance than extrinsic motivation (Chowdhury, 2007).

The study of motivation has been going on for many centuries but the most well-known early motivation theory was based on the work of Frederick Taylor and other scientific management researchers who focused mainly on how to improve organisational efficiency (Mills et al., 2007). Traditionally, in order to increase business performance, apart from other management such as hiring and training, the key assumption on effective motivation was the
use of money. They believed that if employees were paid a high salary, they would work hard even though they did not like the job. However, the results of using money as the key motivator is turning out to be negative because the amount of absenteeism and staff turnover increased and the workers would work hard only if they were pushed by the organisation (Stone, 2010). However, according to many researches on motivation, it has been proved that money is not the main and only factor that motivates workers but there are other factors. Hence, there are a number of scientific studies about this and they present many theories to help us understand the motivation of individuals.

2.6.2 Maslow’s Hierarchy of needs

This theory is considered to be as the most well-known theory in motivation. Maslow believes that money is not the only need and human have more than one need. Figure 2.2 shows the Maslow’s Hierarchy of needs. According to Maslow (as cited in Mills et al., 2007) employees are motivated to get to five hierarchies of needs.

**Figure 2. 2 Maslow’s Hierarchy of needs**

![Maslow's Hierarchy of needs](image)

Source: Nelson and Quick (2013, p. 166)
In the lower order needs, the lowest stage is called physiological needs which include food, water and sleep and in the workplace are referred to as basic pay, meals, and physically acceptable working conditions. The second stage covers safety needs which it explains in workplace contexts as job security, safe working conditions, and pension plans. The third stage is called social and belonging needs which include customer relations in business, professional friendships and development of work groups.

The higher level needs involve self-esteem needs such as self and other-respect. The highest stage of the pyramid is called self-actualization which includes challenging work, responsibility and innovation (Vecchio, 2006). Elkin et al. (2008) point out that when people satisfy the lower levels of needs then they will move up the pyramid from the bottom to the next level.

2.6.3 Herzberg’s two-factor theory

Unlike Maslow, Herzberg conducted a motivational study with many employees and found that in order to effectively motivate staff, the management should understand the factors that make employees satisfied (motivator factors) and dissatisfied (hygiene factors) with their job (Iguisi, 2009). However, Herzberg’s theory still has a close link to Maslow theory where hygiene factors are possibly equivalent to the lower order needs of Maslow and motivation factors are roughly the same as higher order needs. Herzberg (1987) explains that job satisfaction and dissatisfaction occur on two different scales. Satisfied employees usually relate to factors such as recognition, interesting work, responsibility and advancement. On the other hand, factors that cause employee dissatisfaction are hygiene (KITA) factors which include administration and organisation policy, interpersonal relationships, supervision, salary, working conditions and job security. Furthermore, Herzberg believes that the critical tool to motivate employees is to apply a job enrichment approach which can ensure that employees do not receive only movement but they have intrinsic motivation.

2.6.4 McGregor’s theory X, theory Y

The Theory of McGregor reinforced Maslow’s Theory hierarchy of needs. People have different needs and they will work hard to accomplish the goal that is meaningful to them.
Peterson (2007) explains that managers view motivation based on two schemes. In theory X, employees are viewed as mostly lazy, lacking of ambition and resistant to change so managers need to always control them. While in theory Y, employees are viewed as willing to work hard and wanting to be successful. Mills et al. (2007) point out that theory X supports the lower level needs of Maslow’s theory in which they want only finance to ensure their living conditions. However, theory Y supports the higher level needs which relate to self-esteem and growth. Elkin et al. (2008) state that McGregor’s approach significantly encourages management to delegate authority, promote employee empowerment and maximize job responsibilities.

2.6.5 Alderfer’s ERG Theory

Alderfer’s ERG theory is very similar to Maslow’s hierarchy of needs theory but Alderfer categorized people’s needs into three areas namely Growth needs, Relatedness needs and Existence needs. Existence needs is equivalent to Maslow’ physiological and safety needs. Relatedness needs is the same as social needs and Growth needs encompasses both self-esteem and self-actualization needs (Nelson & Quick, 2011). Mills et al. (2007) explain that the ERG theory differs from Maslow’s theory in the way that people will freely move back and forth between the three levels of need while Maslow’s theory believes that people will move from the bottom to the next level when their needs are met satisfactorily. Mills et al. (2007) also point out that the theory of Alderfer makes more sense because people’s needs fluctuate throughout their lives and if their goals are not being met they will focus on another level of needs.

2.6.6 McClelland’s learned need theory

McClelland (as cited in Vecchio, 2006) claims that individuals’ needs are not hierarchical and it is possible to change their needs even though one need is not yet satisfied. He points out further that, for people to feel motivated, they need to have three needs met namely need for achievement, for affiliation and for power. Elkin et al. (2008) explain that people who have a need for achievement tend to value challenging work situations in which they have potential to be successful. People who have a strong need for power want to have the authority to influence others, while people who have a high need for affiliation prefer a co-
operative situation and need to have a friendly relationship. This theory highlights that employees do not need to be motivated as their need will be learned from society and they will develop their level of power and affiliation motivation through their experiences (Mills et al., 2007). Elkin et al. (2008) agree and suggest further that modeling is also important as employees will learn to imitate people whom they respect or admire.

2.6.7 Equity theory

This theory states that individuals are motivated to work by the sense of their being treated fairly. Stone (2010) explains that employees compare their own input (effort) and output (rewards) both inside and outside an organisation and if they see a difference between their rewards and prizes and those of their colleagues it will motivate them to perform more or less work. Elkin et al. (2008) suggest that management should frequently monitor the difference in rewards both inside and outside the organisation to ensure fairness in the workplace. Vecchio (2006) agrees and adds further that management should ask the employee to assess their reactions or feelings of fairness in an organisation.

2.6.8 Expectancy theory

This theory is one of the most well-known theories that help us understand how people think and why they behave in a particular way in their work (Duke, 2010). This theory is about understanding the relationship between effort, performance, and outcomes (rewards) which means that if employees work hard they will achieve good performance and lead to good rewards. There are three significant elements to be considered, namely expectancy, instrumentality and valance which from the equation Motivation = expectancy x instrumentality x valance. It appears that all three of these elements should be high in order to achieve high motivation (Elkin et al., 2008).

2.7 Summary

This chapter covers literature and theories that are relevant to the research project. The first part of the chapter provides an overview of leadership theories to clarify the definition of leadership and the importance of leadership in an organisation. The second part of the chapter
presents inspirational leadership theories including the theory of charismatic leadership, transformational leadership and authentic leadership, in order to understand the process that leaders use to inspire employees to perform to their utmost best. Next, the five most well-known approaches to understanding different leadership styles namely, autocratic, democratic, participative, goal-oriented and situational leadership are discussed. After that leadership for quality such as, performance management, motivation and empowerment, leadership communication, ethical leadership and team work, is discussed in order to understand vital practices that leaders apply to continually improve the performance of employees. The final part of the chapter discusses different motivation theories that help researchers to understand the factors that motivate employees to increase their work performance and consequently improve organisational efficiency.

In chapter three the methodologies are discussed and explained in detail to contextualize the methods that are employed in this research project.
CHAPTER 3

RESEARCH METHODOLOGY AND RESEARCH METHODS

3.1 Introduction

This chapter presents the methods employed in this research project to collect and analyse the data as well as the reasons for using particular methods. This research project applies the mixed method, so the first part of the chapter focuses on elaborating on the differences between quantitative and qualitative methods and also explains the reason behind its use. The chapter also describes different important approaches, especially secondary data, questionnaires, interviews, samples and selection, and the pilot study. It also elaborates on the detail of methods of data collection which include both quantitative and qualitative data collection. Furthermore, the chapter also points out the approach to analysis of the data that was obtained from conducting questionnaires and interviews. In the final part, ethical considerations about this research project are also discussed.

3.2 Quantitative approach

Taylor (2005) makes the point that the major purpose of a quantitative approach is to make valid and objective descriptions of the phenomena being researched. The quantitative approach handles the information by collecting numerical data and converting it to figures and numbers to extract the meaning (Kemp & Lewis, 2007). Some researchers do not use a quantitative approach has the information cannot provide much insight about human perception and the results are sometimes too superficial (Rubin & Babbie, 2010). However, quantitative approach analyses statistics through a large number of samples which allow a researcher to generalise from the individual and the group, hence the data can be representative of a large population (Bryman & Bell, 2007; Kemp & Lewis, 2007). Sutherland and Canwell (2008) state that many businesses use a quantitative approach to help them make a decision in a particular area such as human resource management and marketing. Moreover, Sutherland and Canwell (2008) also point out that the quantitative approach is an effective means to measure employee attitudes and their satisfaction toward
management in an organisation. This approach can help leaders and managers understand the needs and behaviour of employees which will enable them to improve work processes and other management activities.

Burns and Burns (2008) observe researchers using the quantitative approach to classify features and construct statistical models in order to explain what has been observed. Researchers know in advance about their investigation and usually apply this method to test elements of a theory. Most researchers employ the questionnaire method, tests, equipment or attitudes scales to collect data. All parts of the study are fully and carefully designed before the data collection takes place and data are always statistics and numbers. Hesse-Biber (2010) explains that, in the beginning, researchers would employ the quantitative approach in order to gain general perspective about what results are worthy and important to explore further in-depth. The results from a quantitative study can also be addressed in a follow-up qualitative study.

This research project will apply the quantitative approach as it uses large samples from staff at different banks nationwide. This information can provide an adequate number of responses to ensure sufficient data in order to find out what are the main factors that can motivate staff to put more effort into their work and to identify what leadership styles best fit the organisation.

3.3 Qualitative approach

Taylor (2005) states that the qualitative approach focuses on the study of feeling, opinion and experience of individuals, so it helps to develop deep understanding of human life and peoples’ perspectives. Sutherland and Canwell (2008) explain that a qualitative approach is generally done with a small number of people and the research project can be done by means of in-depth interviews, observation and focus groups. According to Rubin and Babbie (2010), because qualitative method gets a full and in-depth view of the field, this helps the researchers to reach an unusually comprehensive understanding and it also allows them to find issues that are often missed by scientific research. However, the findings from this type of research cannot be generalized to the whole population since there are a relatively small number of people involved in the research. According to Sutherland and Canwell (2008), the strength of this approach is that it helps the organisation to a better and deeper understanding.
of individuals’ opinions which is useful information for managers to help decide on the appropriate management approach.

The qualitative approach is used in this research project to explore the reasons behind the business problems and to understand in more detail what the current leadership approaches are that apply in the banking sector in Lao PDR. In-depth interviews with staff at senior level are to be conducted in different departments of the banks such as branch manager, HR manager and head of different departments. The main reason for applying this type of interview is to understand how managers in the banking sector apply leadership in the organisation and then try to evaluate the problems that they need to overcome to improve work performance of employees. The Research project design for this study applies an exploratory study approach. This is to explore new ideas about the research and it contains the research objectives which are derived from the research question. Sekaran and Bougie (2010) state that researchers apply exploratory study when there is not much information available for developing a viable theoretical framework and to better comprehend the nature of the problem. This study approach is appropriate because data is collected by interviewing individuals or by gathering information through focus groups.

Rubin and Babbie (2011) suggest that both quantitative and qualitative approaches are equally important and play an equal role in knowledge building. Therefore, to achieve the research aim and objectives, this research project will apply the ‘mixed method’ approach that is a combination of quantitative and qualitative in order to get a better analysis of the problems. Hesse-Biber (2010) states that both quantitative and qualitative have different weaknesses. Quantitative does not show a proper assessment and in-depth information about the data because the data is too general. Whereas the qualitative approach lacks sample size. Hence, Miller, Strang, and Miller (2010) suggest that the mixed method is an effective way to do research as both approaches have their strengths, so allowing the researcher to better explore a research problem. In this research the quantitative approach focuses on the employees’ perspective and desire about leadership in their organisation while the qualitative approach focuses on understanding the current practices of leadership in the organisations.

3.4 Secondary data

According to Kothari (2006), secondary data means data or sources that are already available and have already been collected by someone else. Secondary data comes from reading what
others have observed and this kind of data can be both published data and unpublished data. Published data can be found in various publications such as journals, books, magazines, newspapers and reports. The sources of unpublished data are diaries, letters, unpublished biographies and research of other organisations. Royse (2008) explains that secondary data is the approach to finding as many answers to the research questions as possible. Then the researcher may conduct more surveys to gain primary data to answer the remaining research questions that could not be found in secondary sources.

This research project will apply secondary data collected by many organisations to acquire useful information about issues that currently occur in organisations in Laos. There is some useful secondary data available in Laos that has been collected by the government, the Bank of Lao PDR, international organisations and the United Nations Development Program. However, secondary data cannot supply sufficient information to answer the objectives of this research project, so other primary data collection will be conducted in order to get deeper insights into the nature of leadership management in the Lao banking sector.

Grinnell and Unrau (2010) state that most secondary data can be obtained quickly and cheaply via the Internet and in libraries. The main weakness of secondary data is that it cannot answer all of the research questions. Bryman and Bell (2007) criticize the use of secondary data because it is sometimes out-of-date and does not fit the objective of the current research. Also the sources may have low accuracy and credibility especially data collected from commercial publications. However, Guffey (2010) points out that the biggest advantage of using secondary data is its cost effectiveness and that it helps individuals save both time and money on the research. A lot of useful data collection has been done by government and other organisations, these sources of information allow researchers to have more time to analyze the issues and interpret data.

3.5 Questionnaire

The first method of data collection is using questionnaires to survey the experience and opinion about leadership and work motivation of staff in the three selected banks. Brace (2013) proposes that the questionnaire is a crucial part of the survey process because the questionnaire affects the remaining survey processes. A well written questionnaire will provide enough of the data required and will show the correct data. One of the most effective surveys can be done by using self-completion questionnaires which can offer researchers the
Bryman and Bell (2007) point out that ‘self-completed questionnaire’ means that respondents answer questions and complete the questionnaire by themselves. This method can be executed by means of several approaches such as individually, in group setting, or by postal questionnaires. However, this research project was executed by providing questionnaires to voluntarily staff in different departments of the banks and giving them time to complete the questionnaires there by saving participants’ time and ensuring sufficient response.

Fowler (2009) suggests that in order to get data that is useful in answering the research question, it is important to design the questionnaire carefully. The questions that are asked should be clear, unambiguous and easy to complete to avoid confusion of the respondents as they might inadvertently omit the questions. Azzara (2010) finds that it is significant that the questionnaire should have an appropriate wording in each question in order to minimise bias in the question. In addition, the researcher should avoid using jargon or technical words that might not be familiar to respondents and should also avoid ambiguous questions and answers to reduce confusion of respondents. Kothari (2006) comments that a well-designed questionnaire will ensure good understanding by the respondents and will also encourage them to fully and honestly participate in the survey. Moreover, the questionnaire should strongly connect to the objectives of research and the questions should cover all issues in order to get the full data for the analysis.

Since banking and financial sectors are extremely busy organisations, self-completion questionnaires are more convenient to administer and cause less disruption for respondents. From the suggestions on creating effective questionnaires, this research has carefully designed the questions to ensure that the collected data can answer the questions and meet the primary objective of the research. A pilot study had also been constructed before the researcher designed the final form of the questionnaires (detail on applying the pilot study is to be discussed in the following section). There are 20 main questions for this research and some questions have approximately four to ten sub-questions. The questionnaire starts with a brief memo explaining the main purposes of the research and the use to which the data that is collected will be put. There are three kinds of question namely, multiple choice, rating scale, open-ended questions. The questions have a clear structure and move from general to the specific aspect of the research program. At the end of questionnaire sentences appear on thanking respondents for their time and expressing appreciation for their help in this research
project. Before the participants answered the questionnaire (see appendix 1), each participant noted the information for participants (see Appendix 4) to ensure that they knew the purpose of the research and all participants had signed the participant consent form (see Appendix 3).

Table 3.1 Relationship between questionnaire and research objective and sub-research question

3.6 Interviews

The second method of data collection is in-depth interviews with some senior managers in the

<table>
<thead>
<tr>
<th>Questionnaire: For employees in 3 banks</th>
<th>Research Objective and Sub-Research question</th>
</tr>
</thead>
<tbody>
<tr>
<td>Demographics: Question 1-4</td>
<td>Sample description</td>
</tr>
<tr>
<td>Work Performance: Question 5-7</td>
<td>- To explore current leadership styles in the existing banking sector.</td>
</tr>
<tr>
<td></td>
<td>- To identify the appropriate leadership style that employees prefer to be practised in the workplace.</td>
</tr>
<tr>
<td>Leadership: Question 8-14</td>
<td>- To understand the perspective of employees in the Lao banking sector about the importance of leadership.</td>
</tr>
<tr>
<td></td>
<td>- To explore current leadership styles in the existing banking sector.</td>
</tr>
<tr>
<td></td>
<td>- To identify the appropriate leadership style that employees prefer to be practised in the workplace.</td>
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<td></td>
<td>- To explore employees’ satisfaction towards their superiors’ leadership.</td>
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<tr>
<td>Motivation: Question 15-18</td>
<td>- To investigate the main factors which motivate employees to work?</td>
</tr>
<tr>
<td></td>
<td>- To discuss challenges for leaders on improving their leadership and staff motivation in the workplace.</td>
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<tr>
<td></td>
<td>- To what extent can leadership and employment motivation be improved in the workplace?</td>
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<tr>
<td></td>
<td>- What are the main factors that leaders need to consider to motivate employees to work?</td>
</tr>
<tr>
<td>Open ended question: Question 19-20</td>
<td>- To explore employees’ satisfaction towards their superiors’ leadership.</td>
</tr>
<tr>
<td></td>
<td>- To investigate the main factors which motivate employees to work?</td>
</tr>
</tbody>
</table>
three banks. The data collected through interviews is a form of qualitative research Merriam (2009) states that “an interview is a process in which a researcher and participant engage in a conversation focused on questions related to a research study” (p. 87). Bryman and Bell (2007) point out that interviews are commonly divided into three types such as structured, semistructured, and unstructured. The main purpose of using this approach is to determine the other person’s perspective which will help the researcher to achieve a deeper understanding of the problem. This method can better support the research objective compared to using only questionnaires (Merriam, 2009). Klenke (2008) notes that there are compelling reasons for the use of the interview method in leadership research. It is noted that, among the different research methods employed in leadership research, the interview method will provide more advantage for data collection because it involves a conversation and exchange of meaning between interviewee and interviewer. Interviewing is also reflective and sensitive to the nature of the issues under investigation.

This research will apply in-depth interviews since this method allows interviewees to freely discuss the issues so the interviewer can gather rich and detailed information to be analyzed and used to answer the research question (Sutherland & Canwell, 2008). Hesse-Biber and Leavy (2010) explain that an in-depth interview is a kind of conversation between interviewer and interviewee that needs active communication skills, especially asking and listening skills. An in-depth interview (also called intensive interview) is vital to qualitative research as it allows the researcher to get more insightful information from individuals via verbal communication. This enables the researcher to gain unique and significant knowledge from the different perspectives of interviewees. Polonsky and Waller (2010) point out that normally an in-depth interview is conducted on a one-to-one basis. There are varying lengths of interviews and it can be either highly structured or unstructured. Polonsky and Waller (2010) note that as the interviewer allows the participants to freely share information and as interviewees might use different expressions and terms to explain the same thing, so a researcher may find it difficult to compare the responses from various interviews. Hence a researcher should have a proper plan and method of conducting coding and transcribing. Hennink, Hutter, and Bailey (2010) demonstrate that typically in-depth interviews are primarily employed when researchers want to seek information on personal experiences, perception, beliefs, feelings and emotions from individuals about a particular issue or topic. In-depth interviews may also be used when one seeks to capture sensitive subjects that require confidentiality and a secure conversation between a researcher and a respondent.
Lapan, Quartaroli, and Riemer (2011) state that interview data collection is gathered from more than one participants because the purpose is to indentify similarities and differences across respondents in a sample. Each of in-depth interview usually deals with a specific issue and lasts about one to two hours each and questions move from less sensitive to more focused on personal meaning and experiences. Polonsky and Waller (2010) comment that interviewers should be trained and have a skilled qualitative method before conducting an interview. The important skills for interviewers include open-mindedness, flexibility and responsitivity, patience and being observant. They should also be a good listener who listens actively and has skills such as paraphrasing, attending fully and reflecting. In this study, before the interview, key information about the study (see Appendix 3) was provided and each participant signed the participant consent form (see Appendix 4).

Table 3.2 Relationship between interview questions and research objective and sub-research question

<table>
<thead>
<tr>
<th>Interview Question: For Senior managers</th>
<th>Research Objective and Sub-Research question</th>
</tr>
</thead>
<tbody>
<tr>
<td>Question 1</td>
<td>- To understand the perspective of employees in the Lao banking sector about the importance of leadership.</td>
</tr>
<tr>
<td>Question 2 and 4</td>
<td>- To explore current leadership styles in the existing banking sector.</td>
</tr>
<tr>
<td>Question 3</td>
<td>- To investigate the main factors which motivate employees to work?</td>
</tr>
</tbody>
</table>
| Question 5                             | - To discuss challenges for leaders on improving their leadership and staff motivation in the workplace.  
- To what extent can leadership and employment motivation be improved in the workplace? |

3.7 Samples and selection

Martyn (2010) states that the basic principle of sample section is that it is possible to create accurate research findings without collecting data from each member of a survey population...
and ensuring that the sample can be used as a representative of overall group study. Kumar (2010) agrees and points out further that the selection of an appropriate sample is the significant part of any research. The sufficient size of sample results in more accuracy of the study, so the approach of selecting the sample is associated with the accuracy of research findings. Cargan (2007) notes that in determining population size for the study, researchers should consider the purpose of the study because the characteristics of the population will affect the need of sample size. Blaikie (2009) discusses the fact that a common misunderstanding of sampling is that a sample must be some proportion of a research population. Blaikie (2009) suggests that before starting the approach to sampling, there are some more significant factors to be considered such as the number of variations in the population that is to be studied, the levels of measurement that will be used, and the approaches of analysis that can be employed.

Bergman (2008) comments that different sample sizes are commonly found in mixed methods designs because data that is gathered from qualitative and quantitative are collected for different purposes. Cargan (2007) observes that the purpose of sampling in qualitative research is to gain in-depth information about an event or situation and to find out more detail about various aspects and opinions of an individual, whereas in quantitative it is designed to draw inferences about a group from selected sample. Kumar (2010) points out that typically, there are two conceptions to determine sample size in qualitative and quantitative research. Quantitative research is done by a predetermined sample size which is based on the resources available and a number of other considerations. However, qualitative research does not have a predetermined sample size but the researcher will determine the sufficient data during the data collection stage.

Martyn (2010) explains that quantitative research tends to get representative samples which are associated with larger surveys and the data gained from a representative sample allows researchers to draw conclusions about the overall research population. On the other hand, qualitative research tries to gain an exploratory sample which is a small-scale research and the sample can generate insightful ideas and information. Martyn (2010) indicates further that there are two approaches to conducting sample selection; probability sampling and non-probability sampling. Probability sampling is the use of random selection and it work best with large-scale surveys, whereas researchers apply non-probability sampling when they find it difficult to choose the sample on the basis of pure chance and when there is not sufficient information about the population.
In this research project, three commercial banks in Lao, namely Phongsavanh Bank, Lao Construction Bank and Lao Development Bank were used as participants for data collection. Individual interviews were conducted with 11 senior level managers in different departments in each bank. The interviews were conducted during September 2013 and each individual interview was about one to two hours in duration. The interviews were conducted with topics rather than fixed questions and the topics were about their current leadership styles and the strategies that they used to lead or manage their team members. For the questionnaires, 150 copies of the questionnaire were distributed in paper copy format for voluntary employee participation at the three banks in order to collect their opinions and views to execute the research. Participants were at all levels in different departments in the 3 banks, which offered the entire population of employees an equal opportunity to get involved. In order to ensure receiving not less than 100 responses, 150 questionnaires were provided for distribution in the three banks which means that 50 questionnaires were provided to each bank. After the collection, a total of 116 acceptable questionnaires were received and the researcher used all these responses for the analysis.

3.8 Pilot study

Fisher-Blando (2009) points out that it is necessary to conduct a pilot study as the first step in a research project because a pilot test can show data for a probability sample selection and also identify some of the weaknesses in design and instrumentation. Before beginning actual data collection, a pilot study should be conducted to ensure that the procedures and survey materials are clear and will not confuse the participants. A pilot study can draw participants from a separate target study group or can draw from the target population to create the design for data collection.

Brace (2013) suggests that before the pilot stage is reach, the questionnaire layout should be carefully checked from the standard point the coder, the data processor and the data entry person and each question should be thoroughly proofread in order to make sure that respondents will have a clear understanding of the questions. Hall (2008) notes that a pilot study can give advance warning about where the research project could fail and it can address a number of issues relating to the survey questions and prevent any errors before conducting the survey. This include checking the comprehensiveness of instructions, wording of a
survey, the validity and reliability of results and the efficiency of statistical and analytical processes.

In view of the above guidelines, before the final questionnaire and interview questions were constructed, the researcher executed a pilot test to determine whether the questions were clear and made sense. There were 10 bank employees who participated in the pilot study and all were from Lao. The respondents provided very useful feedback after they had completed the questionnaire. There were some aspects of the questionnaires that were revised and improved such as removing difficult, unnecessary or ambiguous words, and using terms that were easy for respondents to interpret. Finally the researcher checked that all questions were answered and re-worded and re-scaled some questions that had not been correctly answered.

3.9 Method of data collection

The primary data collection for this research project was done in Laos, a country in which not many local people speak English. Therefore, to prevent any error or miscommunication in the questions, the questionnaire was translated and presented in Lao language version. Before the process of in-depth interviews and the questionnaire survey distribution, the researcher had contacted three banks namely, Phongsavanh bank, Lao Construction bank and Lao Development bank in Laos by email to ask for permission to collect data in these banks. After receiving permission from all the three banks (see appendix 7, 8 and 9), the researcher went to Lao in person to conduct the research study in these organisations. Data was collected from the Phongsavanh Bank on 1\textsuperscript{st} September 2013 and from Lao Construction Bank on 9\textsuperscript{th} September 2013 and from Lao Development Bank on 18\textsuperscript{th} September 2013.

The reason for choosing these three banks was because each bank has a different nature of business so that the data collection can represent different perspectives of employees. Phongsavanh Bank Limited (PSVB) is the leading local business and the first private Bank in Laos and there are more than 400 staff working in this bank (Phongsavanh Bank, 2012). Lao Construction Bank Limited (LCB), on the other hand, is a joint-venture commercial bank between Lao and Chinese, so there is more diversity in the organisation and this bank currently employs over 150 staff (Lao Construction Bank, n.d.). Lao Development Bank (LDB) is the state owned bank enterprise and also the leading bank in Laos, employing over 200 employees (Lao Development Bank, 2012).
3.9.1 Questionnaire data collection

There were a total of 150 questionnaires distributed to the three banks, each bank received 50 questionnaires. This research employed a random selection method which is most suitable for large-scale surveys. During the process of questionnaire distribution, researcher received very good cooperation from the HR department in the banks. The HR departments, on behalf of the researcher, provided questionnaires to volunteer staff in different departments to be completed in their free time. After the HR departments sent all the questionnaires to all participants, they were given a one day period to complete the questionnaire. After they finished, they returned the questionnaires to a sealed box in the staffroom, and then the box was collected by the researcher. Before distributing the questionnaires, HR department also informed all participants that participation in the research was completely voluntary and there would be no adverse consequences for individuals who did not want participate. However, the information for participants (see appendix 3) was also attached with the questionnaire to ensure that the participants knew the purpose of the research.

All the completed questionnaires, from the three banks, were collected by the researcher on 20th September 2013; the total received was 116 questionnaires. There were 48 (being 41.4%) completed questionnaires submitted from Phongsavanh Bank, 36 (being 31%) completed questionnaires from Lao Construction bank and 32 (being 27.6%) completed questionnaires from Lao Development Bank. It can be seen that more than 50 percent of the participants answered the open-ended questions.

3.9.2 Interview data collection

The researcher received permission from the three banks to interview eleven people who are in the senior management levels. Each bank was responsible for choosing the participants to be involved in this interview and was also responsible for arranging an appointment with the researcher to collect data at a specific time. There were four participants form Phongsavanh Bank (PSVB) which included a Branch Manager, a Deputy Branch Manager, the Head of HR department and the Head of Teller Division. From Lao Construction Bank (LCB), there were four participants of which three people are the Deputy General Managing Director and another is the Head of Operations Department. Furthermore, there were three participants from Lao Development Bank (LDB) who came from various sectors including the Head of International Banking Department, the Head of ATM Center Division and the Acting Head of
HR Department. Before the interview, key information about the study was provided by the researcher and all the participants signed the participant consent form (see appendix 4) after they had understood and agreed to the process to be involved in the study.

According to Hennink et al. (2010), an in-depth interviews usually take place in people’s homes or offices where the respondents feel most comfortable so they are relaxed and willing to respond to the questions. Therefore, in this research project, every interview was conducted in the office of the participants and it can be seen that they were open and interested in the topic of the study. The interviews took approximately 30-60 minutes for each participant and there were five main questions that had been discussed during the interview. However, some questions had an extra two to three sub-questions and some other interesting points related to this research were also discussed. Lapan et al. (2011) state that audio recorders are very useful in recording live conversation in the in-depth interviews as it assists researchers to revise, clarify basic code and not to lose track of their thinking on different topics, but a researcher needs to obtain permission before recording to ensure human subject protection. However, in this interview, only seven of the participants allowed the researcher to record the conversation and others were not comfortable about making the recording during the interview. Hence, in association with recording by audio, the researcher also took notes during the process of interviewing.

3.10 Data analysis

3.10.1 Quantitative data analysis

All data obtained through the questionnaires needs to be analyzed and interpreted by using analytical software. There is a number of useful analytical software such as SPSS (Statistical Package for the Social Science) which helps researchers examine and extract meaning from the data. This research project will employ SPSS software since it is suitable for analyzing complex samples and it can manage data effectively (Oliver, 2010). Quantitative analysis technique facilitates the researcher’s ability to explore, describe and present data in numbers of ways such as charts, graphs and statistics. These graphical presentations make it easier to describe the data and explore relationships and trends within the data (Saunders, Lewis, & Thornhill, 2009). There are some key steps and procedures for analyzing data such as coding, data transformation and editing. Kothari (2006) suggests that all data types should be recorded using numerical codes which enable researchers to enter the data quickly and reduce
chances of error. Moreover, data editing is a necessary process in order to deal with collecting and detecting illogical or illegal data and omissions in the information returned by the respondents of the study.

Sekaran and Bougie (2010) explain that after selecting a suitable level of statistical significance to test the research hypothesis, the next step is to decide on the appropriate data analysis method such as frequencies, cross-tabulations, correlations, T-Tests, ANOVA, regression, factor analysis and Analysis of Moment Structures (AMOS) to test the hypothesis. This research project applies some of the above data analysis methods especially frequencies, correlation, and T-Test. Niedrich, Weathers, Carter, and David (2009) explain that frequency is a way of presenting data that makes the pattern of data easier to read especially with large data sets. This method provides valuable information and there are several ways of using it to present data such as bar graphs, histograms and line graphs. The choice of using different representations depends on the type of data collected and the objective that the researcher wants to emphasize or illustrate.

Moreover, this research project also employed the correlation method which allows researchers to observe and understand relationships between variables that are related to each other. The resulting value shows whether change in one variable will result in change in the other variable. This method allows researchers to make predictions from one variable to another with a certain degree of accuracy (Jackson, 2011). By comparing differences in frequency distributions researchers can find out whether a relationship exists between the two variables. Another useful method is the T-Test which is able to compare two means or to assess whether the means of two samples are significantly different from each other (Argyrous, 2011).

3.10.2 Qualitative data analysis

Qualitative data analysis started after the data had been collected. Saunders, Lewis, and Thornhill (2007) point out that there is no particular approach to the qualitative analysis, but there are many approaches and strategies to extract data collected by the qualitative method. (Oliver, 2010) states that this type of analysis is quite complicated because there are few well-established rules and guidelines for analyzing the data. According to Polonsky and Waller (2013), the main purpose of analysing interviews or qualitative data is to make valid inferences from the data in the form of words and this analysis method includes multiple
strategies. Polonsky and Waller (2013) explain that the approach of analysing qualitative data can be done by applying content analysis and thematic analysis. Content analysis focuses on analysing the frequency of some particular phrases or words or images while thematic analysis is done by developing a coding system which is usually based on a coding protocol.

Oliver (2010) points out that qualitative data analysis can be executed through some useful methods such as conceptualization, coding, categorizing, comparing, examining, evaluating and synthesizing. In order to analyse the data from the interview, some strategies of data analysis, especially coding and categorizing techniques, will be employed in this research and apply grounded theory to discuss further on the outcome. Corbin and Strauss (2008) explain that coding is the way to extract and develop concepts from raw data in terms of their dimensions and properties, while categories are the way to represent phenomena and to reduce and combine data. Polonsky and Waller (2013) point out that coding the data helps researchers to engage with the data collected and to find out the meaning and connection of the data. Myers (2009) states that the purpose of coding is to help researchers draw meaningful conclusions about the data. Coding can be done by selecting key words, sentences, paragraphs and themes to primarily look for the meaning behind the ideas of respondents. Saunders et al. (2007) clarify the idea that categorisation is the way to classify data into meaningful categories. These categories are related to labels or codes that are used to group the data and the identification of these categories is guided by the objectives of the research.

3.11 Ethical consideration

Oliver (2010) suggests that it is imperative for the researchers to consider ethical issues from the early stage of a research project in order to avoid causing harm, anxiety, pain, distress or any other negative feeling to participants. Furthermore, before potential participants agree to take part in the research, they should be fully informed about the scope of relevant aspects of the research. In addressing a key ethical issue in this study, the researcher had asked for permission from the banks to conduct the research. A formal written request which follows the UREC guidelines was made by letter to make contact with the key person of Phongsavanh Bank, Lao Construction Bank and Lao Development Bank in order to gain permission to conduct the survey. The form of communication that also took place included e-mail and telephone. After the contact, all the three banks had provided the organisation’s consent letter (see appendix 7, 8 and 9) and allowed researcher to undertake research in their
organisation. This research recognizes and acknowledges that the Unitec Research Ethics Committee is aware of the ethical issues related to privacy, safety, social sensitivities, welfare and health. Therefore, this research project has followed UREC guidelines and the data collection stage had been conducted after receiving the UREC approval letter (see appendix 5) (UREC, 2009).

This research project was conducted in the researcher’s home country where there are a number of ethnic minority groups and tribes; this researcher is aware of and recognizes the potential effects of ethnic status. Therefore, this research did not focus on any particular ethnic groups but studied the area that is related to organisational management to get the overall understanding about leadership and performance management issues in the banking industry. Moreover, before proceeding with the survey, all participants were informed that they will be free from any perceived coercion or gifts or any inducement. This research also protected the participants’ rights to privacy through the provision of confidentiality and ensuring that they were not harmed at all by this research project.

3.12 Summary

The chapter covers all significant aspects of the research methodology. This research project employed mixed methods which allow researchers to better explore a research problem. The quantitative approach was used to conduct questionnaires with all levels of employees in the banks to understand their perspective and desires about leadership in the organisations, while the qualitative approach was carried out by conducting interviews with eleven people in senior levels in the three banks in order to explore their current practices of leadership. Moreover, before the final forms of questionnaire and interview questions were constructed, a pilot test had been implemented to determine the clarity of the questions. In this research, apart from the primary data, useful secondary data collected by many organisations are also used to acquire information about what currently occurs in the country. In terms of data analysis, this research project employs coding and categorizing techniques to analyse qualitative data and use SPSS software to analyse quantitative data.

Chapter 4 focus on the results of the data collection that was obtained from the interviews and questionnaires.
CHAPTER 4
DATA RESULTS AND FINDINGS

4.1 Introduction

This chapter presents the findings from the interviews and questionnaires that the research project revealed. The chapter begins with the interview findings from the five main questions and another five sub-questions asked during interviews that the researcher had conducted with eleven employees at the senior level in order to develop understanding of the current leadership in the organisations. Secondly, this chapter presents the findings of the questionnaires based on SPSS data analysis. This section includes five key points such as a general question (demographic), work performance, leadership, motivation and open ended questions. These five elements are considered to be vital information to be used for analysing in order to answer the research questions. The final section presents the data analysis method that is being used in each hypothesis test and also illustrates the results of the four hypothesis studies.

4.2 Demographic results

This section reports on the characteristics and dynamics of the respondent population to allow readers to see the big picture of the participants involved in the study. In this section, the respondents were asked to identify their gender, age, working experience, and level of education.

Question 1:

Question one asked respondents to identify their gender. The results of this question are illustrated in figure 4.1 and indicate that there are more females than males involved in the survey. In the total of 116 respondents, 75 are female which cover 65% of the total respondents and 41 people or 35% are male. The results are representative of actual employee profiles in the participating organisations.
Figure 4.1 Gender ratio of participants (Q.1)

Question 2:

In this question, participants were asked to identify their age range in one of five categories such as 19-23 years, 24-29 years, 30-39 years, 40-49 years and more than 50 years. The outcome of this question is illustrated in table 4.1 and the result is representative of actual employees. According to table 4.1, the majority of respondents are in the age range of between 24-29 years which covers 43.1% of all participants. The second highest frequency of respondents is age between 30-39 years which is 30.2%. The third highest frequency of participation is in the age between 19-23 years. Moreover, the table also shows that there are a very low proportion of two groups of people; i.e. those aged between 40-49 years and more than 50 years where there are only 3.4% and 6.9% respectively.

Table 4.1 Respondent age (Q.2)

<table>
<thead>
<tr>
<th>Age</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>19 – 23</td>
<td>19</td>
<td>16.4</td>
</tr>
<tr>
<td>24 – 29</td>
<td>50</td>
<td>43.1</td>
</tr>
<tr>
<td>30 – 39</td>
<td>35</td>
<td>30.2</td>
</tr>
<tr>
<td>40 – 49</td>
<td>4</td>
<td>3.4</td>
</tr>
<tr>
<td>50 and above</td>
<td>8</td>
<td>6.9</td>
</tr>
<tr>
<td>Total</td>
<td>116</td>
<td>100</td>
</tr>
</tbody>
</table>
Question 3

Question 3 asked participants to state their total years of working experience including the time in their previous jobs. There are five categories for participants to namely less than 1 year, 2-5 years, 6-10 years, 11-15 years and more than 16 years. According to table 4.2, the highest percentage of participants has working experience in between 2-5 years which covers 56.9% of the total respondents. The second highest frequency of participants has working experience of between 6-10 years which is 20.7%. Furthermore, there are 9.5% of participants who have working experience of more than 16 years and it is interesting to note that there are very low numbers of participants who have working experience of less than one year and between 11-15 years which are 6.9% and 6% respectively. The results are representative of the actual age of employee profiles in the participating organisations.

### Table 4.2 Working experience (Q.3)

<table>
<thead>
<tr>
<th>Working experience</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 1 year</td>
<td>8</td>
<td>6.9</td>
</tr>
<tr>
<td>2 – 5 years</td>
<td>66</td>
<td>56.9</td>
</tr>
<tr>
<td>6 – 10 years</td>
<td>24</td>
<td>20.7</td>
</tr>
<tr>
<td>11 – 15 years</td>
<td>7</td>
<td>6.0</td>
</tr>
<tr>
<td>More than 16 years</td>
<td>11</td>
<td>9.5</td>
</tr>
<tr>
<td>Total</td>
<td>116</td>
<td>100</td>
</tr>
</tbody>
</table>

Question 4

Question 4 is the final question of the section on demographics. This question asks participants to indicate their highest level of education in one of four choices; TAFE (Technical and Future Education), Bachelor degree, Master degree, and doctoral degree. Outcome of the survey illustrates that the highest frequency of respondents have a Bachelor degree, 90 people which covers 77.6% of the total participants. The second highest percentage of participants achieved a Master degree i.e. 19 people or 16.4%. There are only
6% of respondents who have TAFE degree and it is interesting that there are no respondents who have a doctoral degree who participated in the survey. The result is representative of the actual education of employee profiles in the participating organisations.

Figure 4. 2Demographic results of questionnaire respondents(Q.4)

4.3 Interview findings

This section presents the findings from the in-depth interviews of staff at senior level in different departments of the banks. The interviews were executed by selecting key words, sentences, themes and drawing meaningful conclusions from the particular information in order to see the meaning behind the ideas of the respondents. The respondents in the interview were allocated letters with numbers respectively (SL1, 2, 3, 4, 5, up to 11) in order to avoid identification. The findings of each interview question are discussed below.

Question 1: Do you think leadership from top management is important in the success of the organisation? Why?

All eleven respondents recognized that leadership from top management is very important in the success of the organisation. Four of respondents (SL3)(SL1)(SL6)(SL9) said that leaders can be a role model for their subordinates, especially in the ethical sphere which can build
trust for employees and motivate employees to have more commitment to their job. (SL9) pointed out further that it is necessary to have ethical leaders not only to earn trust from their subordinates but also to ensure a good reputation for an organisation. Two of the respondents (SL2)(SL10) are of the view that leadership is very important as leaders have the necessary knowledge and skills to lead employees, so a leader can be a coach and offer guidance to all their subordinates to ensure they are fulfilling their roles.

Moreover, two interviewees (SL11) (SL4) emphasized that leaders envision the future so they can establish a clear vision for the business and develop the vision into business strategy. Two other respondents (SL5)(SL7) observed that leaders play a significant role in ensuring good teamwork because leaders can create sound decisions to achieve the group goals and also provide solutions to solve any problems that might crop up within the team. One respondent (SL8) discussed that it is significant to have leaders because they are the ones who are responsible for ensuring a good working environment and friendly relationships in an organisation.

**Question 2: Please tell me briefly about your leadership style in the organisation?**

Most of the respondents execute their leadership style in more than one particular way. Four of the respondents (SL11)(SL8)(SL7)(SL5) mentioned that they direct their team by making most decisions and setting the specific tasks for their subordinates. They explained that in order to achieve the business target, it is necessary for leaders to provide clear tasks for each individual employee and encourage them to give their best effort toward achievement and to focus solely on the organisational goals. They also pointed out that leaders should always follow up on their subordinate’s work performance in order to ensure positive work progress. Two respondent (SL3)(SL10) said that they place emphasis on providing coaching for their subordinates to ensure that each staff member has the appropriate skills to work and also to reduce the number of mistakes that might happen in a job due to low skills.

On the other hand, five of the respondents (SL10)(SL9)(SL6)(SL4)(SL3) reported that they usually give advice to their subordinates rather than giving directions on how to do the job. The purpose of their leading style is to emphasize empowering team members to help develop strategies and to encourage all subordinates to share their ideas in the process of
decision making. Six respondents (SL11)(SL7)(SL6)(SL2)(SL1)(SL8) pointed out that they are friendly with their subordinates. They often spend time to talk with individual employees and try to create a positive working environment. These leaders believe that a friendly environment is significant in building positive productivity because employees feel relaxed and comfortable in speaking out their ideas.

**Question 2.1: What do you think are the most significant practices that leaders should execute to improve employees’ work performance?**

Six of the respondents (SL1)(SL2)(SL5)(SL6)(SL9)(SL10) believed that the provision of the necessary training was the most important practice to improve employee’s work performance. They mentioned that training is necessary for employees to develop their knowledge, abilities, skills and competencies and they will then be more confident in providing service to the customers. Through training employees will also have more opportunities for promotion because they are then equipped with more knowledge and skills. However, three of the respondents (SL3)(SL7)(SL8) believed that rewards, both financial and non-financial, are the most significant tool to motivate employees to increase their work quality and their commitment to the organisation objective. One respondent (SL4) suggested that a positive working environment is the most important element to increase employees’ work performance because good relationship among co-workers makes them share understanding and willingness to help each other in their work. Another respondent (SL11) pointed out that the key practice to improve employees’ performance is that leaders should make performance appraisals fair and meaningful. This practice makes employees confident in the assessment and willingness to perform their best in their job.

**Question 2.2: To what extent do you empower your staff to perform better?**

Four participants (SL3)(SL4)(SL9)(SL11) revealed that they empower their staff quite a lot because they always allow their subordinates to share their opinion in decision making. Most of the time their employees decided on their own work and took responsibility for the leaders believe that if employees manage their own work their will engage more in their job. On the
other hand, seven of the respondents (SL1)(SL2)(SL5)(SL6)(SL7)(SL10) said that they empower their employees to a limited extent. They explained that each employee has a particular level of authority and ability to control their work. Even though leaders allow their subordinates to share ideas, they have to ask for permission from their direct superior if they need to make a decision or change any work process.

**Question 3: How do you motivate your staff to work?**

Eight respondents (SL11)(SL9)(SL8)(SL7)(SL6)(SL5)(SL4)(SL1) stated that so far they motivate their staff to work by providing rewards, especially in terms of an annual bonus and awarding certificates of merit for good standing workers. They pointed out that the rewards will be awarded to employees who have an outstanding performance and who reach the goals that had been set by their leaders. They recognized that employees usually respond to bonuses and always put more effort into their work in order to reach their performance goals.

Two of respondents (SL10)(SL2) shared that they motivate their employees by talking optimistically about the employee’s and the organisation’s future. They believe that employees are expecting more good things to happen with their career in the future, so it is necessary for leaders to inspire subordinates to work with hope and help employees project the bright future of the organisation. This method can motivate employees to work and encourage them to improve their performance in order to get more opportunity to work in a key position in the organisation. However, one respondent (SL3) revealed that the way to motivate employee to work is to provide the necessary training because if employees have more knowledge and skills then they will have more opportunity for promotion and will get a higher salary.

**Question 3.1: From your point of view, what are the main factors that motivate your staff to work?**

Six respondents (SL8)(SL7)(SL6)(SL3)(SL2)(SL4) were of the view that money is the most important factor to motivate staff to work. They explained that most of the staff needs money to provide housing, clothing, food and entertainment for themselves and their families. Therefore staff will dedicate more time and work harder for the opportunity to increase their
income through bonuses and salary raises. They point out furthermore that in order to motivate staff to work, leaders should provide good wages for employees and leaders should also create an effective compensation strategy including benefits, bonuses, time off and any other programme that relates to compensation. Two respondents (SL11)(SL1) believed that personal satisfaction is the most important factor in motivating staff to work. They pointed out that leaders should ensure that they are putting each individual staff member into the right work because if employees enjoy or love their job, they will stay engaged during their work time and show dedication to the businesses. This kind of positive working environment will keep employees happy and motivated.

Two other interviewees (SL9)(SL5) responded that career advancement opportunity is the most significant factor in motivating employees to work. They explained that every employee wants to advance in their life, so leaders should motivate their staff by talk optimistically about the employee’s future in the organisation and provide development facilities or training in order to give them more opportunity for promotion. One respondent (SL10) was of the view that the most significant motivation factor is a good working climate which includes a friendly work environment, good working system and individual freedom.

**Question 3.2: What challenges have you experienced regarding staff motivation?**

Five participants (SL7)(SL6)(SL5)(SL4)(SL2) pointed out that the most serious challenge to staff motivation is when the organisational policy does not support the way in which they (the participants) want to motivate their employees. One of them gave an example; that managers have to follow policy regarding a work procedure strictly so they cannot allow any freedom or give authority for staff to make decisions on their own work process. This may reduce employees’ interest in their work. Some of them said that the organisational policy does not give much support to employee motivation especially regarding pay raises, training, and financial rewards. Thus, leaders cannot implement much motivation to encourage employees to work. Two interviewees (SL1)(SL11) revealed that the most challenging for them is that they do not have the final decision. They pointed out that even though they want to implement some motivation tools with their staff, most of the ideas that they shared were rejected by the committee and the chairman. So leaders have very limited methods to motivate the staff.
Three respondents (SL10)(SL9)(SL8) stated that the most challenging issue they suffered regarding staff motivation is that different employees have different needs. They said that it is very difficult to implement a motivation tool that meets the need of all staff because the reasons for working of each individual are different. Some staff might work for money and others may want to accomplish the goals and are looking for opportunity for growth. Hence, leaders find it very hard to meet all the needs of each individual staff member. Moreover, one respondent (SL3) recognized that the biggest issue regarding staff motivation was that most of the staff like to compare their salary and compensation with other organisations, so if the organisation cannot provide satisfactory benefits to staff then it is very difficult to recruit and retain committed employees.

**Question 4: What approaches do you use to evaluate your staff’s performance?**

All eleven respondents have approximately the same approach to evaluating staff’s performance. Basically, the performance appraisal is a rating scale where both superiors and employees have to complete the same form. Each employee has to evaluate their own performance based on the logs in the evaluation form and rating scale from highest to lowest level of good performance. When employees are finished, they have to submit the completed self-evaluation form to their direct superior, then the superior will determine the final performance assessment score for each individual. However, apart from the above evaluation technique, five of the respondents pointed out that they also evaluated their subordinates’ work performance by asking other members of the group to evaluate the performance of their colleague (SL3)(SL6)(SL7)(SL8)(SL10). They believed that in this way a leader will get more understanding of each staff member’s working performance. Another three respondents (SL2)(SL5)(SL11) stated that they evaluate staff’s performance on the overall outcome and performance of their team.

**Question 5: In what areas do you want to improve your own leadership?**

Seven respondents (SL10)(SL9)( SL7)(SL6)(SL4)(SL2)(SL1) revealed that they have never had leadership training, so they have very little knowledge about leadership. In order to become an effective leader, they believe that leadership training is necessary because it can give them more practical ideas on how to lead the team and what approaches they should
apply to improve their leadership skills. They pointed out moreover that so far they execute their leadership style and learn to improve their leadership from their own experience which takes a long time to explore and to discover an effective leadership style that fits the team. Three respondents (SL8)(SL5)(SL3) mentioned that they want to improve their leadership communication skills in order to persuade their followers and gain subordinates’ trust. They perceived that some of their team members have a low enthusiasm for work, so they want to learn how to be a compelling and effective communicator to motivate or inspire their staff to perform better. They also wish to create an environment of open communication where the exchange of ideas, problems and solutions can be discussed among the team members. However, one respondent (SL11) shared that there is no area where he wants to improve his leadership because he has a lot experience in leading the team and is quite happy with his leadership style.

**Question 5.1: Is there any limitation to improve your own leadership? Why?**

Seven respondents, (SL9)(SL8)(SL4)(SL2)(SL1)(SL3)(SL5), pointed out that they never attended workshops or training about leadership so it is hard for them to apply new leadership strategies. (SL3)(SL5) discussed that a Human Resource department may believe that people in the senior level should already have enough experience of leadership. Hence, it is not necessary for HR to provide leadership training for managers and leaders. Moreover, two respondents discussed that sometimes they cannot execute leadership style in the way that they want because it does not fit in with the culture and the goals of the organisation (SL10)(SL7). They gave one example; that they wanted their subordinate to be involved in decision making and they also wanted to spend some time coaching and guiding their staff to complete the task. However, the chairman wants them to take most responsibility for decision making themselves and to encourage all employees to focus mainly on the organisational goals. Two other respondents said that they did not have free time to learn or to gain more knowledge about leadership. They state that they are too busy with their daily work. They wish they could have some spare time to learn leadership by themselves or read articles about effective leadership practices that can apply in an organisation.
Table 4.3 Summary of the key findings from the interviews

<table>
<thead>
<tr>
<th>Do you think leadership from the top management is important in the success of the organisation? Why?</th>
<th>Please tell me briefly about your leadership style in the organisation?</th>
<th>What do you think are the most significant practices that leaders should execute to improve employees’ work performance?</th>
</tr>
</thead>
</table>
| • Very important  
  Because leaders  
  - Can be the role model for their subordinates  
  - Have necessary knowledge and skills  
  - Execute a clear vision for the business  
  - Ensure a good teamwork  
  - Ensure a friendly and good working environment | • Most of the respondents execute their leadership style in more than one particular way  
  • Their leadership styles are  
    - Making most decisions and setting the specific tasks  
    - Providing coaching  
    - Give advice rather than give directions  
    - Friendly with their subordinates. | • The main practices are  
  - Provide necessary training  
  - Reward, both financial and non-financial  
  - Create positive working environment  
  - Have fair performance appraisals |

<table>
<thead>
<tr>
<th>To what extent do you empower your staff to perform better?</th>
<th>How do you motivate your staff to work?</th>
<th>From your point of view, what are the main factors to motivate your staff to work?</th>
</tr>
</thead>
</table>
| • 4 of respondents empower their staff quite a lot.  
  • 7 of respondents empower their employees in some limit | • Providing rewards, especially in terms of annual bonus and awarding certificates of merit  
  • Talk optimistic about employee’s and organisation’s future  
  • Provide necessary training | • Money is the most important factor  
  • Personal satisfaction  
  • Career advancement opportunity  
  • Good working climate |
<table>
<thead>
<tr>
<th>What challenges have you suffered regarding staff motivation?</th>
<th>What approaches do you use to evaluate your staff’s performance?</th>
<th>In what areas do you want to improve your own leadership?</th>
</tr>
</thead>
<tbody>
<tr>
<td>• The organisational policy</td>
<td>• All respondents have more or less the same approach</td>
<td>• Have leadership training</td>
</tr>
<tr>
<td>• They are not having the final decision</td>
<td>• Both superiors and employees complete the same form of performance appraisal.</td>
<td>• Leadership communication skills</td>
</tr>
<tr>
<td>• Different employees have different needs</td>
<td>• Asking other members to evaluate the performance of their colleague</td>
<td>• Nothing that needs to improve</td>
</tr>
<tr>
<td>• The external factors</td>
<td>• Evaluate from the overall results of the team</td>
<td>• Never attended workshop or training about leadership</td>
</tr>
</tbody>
</table>

4.4 Questionnaire findings

This section presents findings from the questionnaire survey and divides it into five main topics which are general questions, work performance, leadership, motivation and open-ended questions.

Overall, the findings showed that the majority of respondents believe that leadership plays a critical role in the organisation and most of them have neutral satisfaction toward the leadership of their immediate superiors. The most important factors that the leaders should practice are to involve employees in decision making and also to provide necessary training and advice for employee development. Furthermore, a number of employees were worried about inequality practices of their superiors and the majority of them want their superiors to act ethically and able to build a workforce with high levels of hope, optimism and self-efficiency. In terms of motivation factors, the most important factor that encourage employees to work are fairness in the work place, opportunity to growth and self-esteem needs.
4.4.1 Work performance

The following presents overall findings about the employee’s work performance in order to discover the current practice of leaders toward employee performance management and the satisfaction of employees regarding their work performance.

**Question 5**

In this question, participants were asked to define how satisfied they were with their current work performance. The respondents were able to choose one of five levels of satisfaction. The outcome of this survey is presented in table 4.4 and indicates the replies of 60 respondents, being the majority, Replies were; firstly that they felt neutral satisfaction towards their current performance, which covers more than 50% of the total response. The second highest percentage, 27.6% and 15.5%, of respondents felt that they were quite satisfied and very satisfied with their current job performance. There were only 1.8 % of respondents who felt dissatisfied with their performance and 3.4% of respondents felt not at all satisfied with their current job performance.

**Table 4.4 Respondents’ satisfaction in their current performance (Q.5)**

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not at all satisfied</td>
<td>4</td>
<td>3.4</td>
</tr>
<tr>
<td>Not satisfied</td>
<td>2</td>
<td>1.8</td>
</tr>
<tr>
<td>Neutral</td>
<td>60</td>
<td>51.7</td>
</tr>
<tr>
<td>Quite satisfied</td>
<td>32</td>
<td>27.6</td>
</tr>
<tr>
<td>Very satisfied</td>
<td>18</td>
<td>15.5</td>
</tr>
<tr>
<td>Total</td>
<td>116</td>
<td>100</td>
</tr>
</tbody>
</table>
Question 6

In the question 6, respondents were asked to state how often their superior provided feedback to them about their work performance. There are four choices for participants to select such as; every day, every week, every month and once a year. According to table 4.5, 43.1% of respondents revealed that their leaders provided feedback to them about their job performance once a year, while 33.6% of participants received feedback about their performance every month. Moreover, 17.2% of participants point out that they received feedback from their leaders every week, and only a few, 6% of respondents state that they get performance feedback from their leader in every day.

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Every day</td>
<td>7</td>
<td>6</td>
</tr>
<tr>
<td>Every week</td>
<td>20</td>
<td>17.3</td>
</tr>
<tr>
<td>Every month</td>
<td>39</td>
<td>33.6</td>
</tr>
<tr>
<td>Once a year</td>
<td>50</td>
<td>43.1</td>
</tr>
<tr>
<td>Total</td>
<td>116</td>
<td>100</td>
</tr>
</tbody>
</table>

Question 7

Question 7 asked participants whether their leaders ever asked them for reports about the progress of their work. The results of this question are displayed in table 4.6 which reveals that 94 respondents in the survey point out that their leaders have asked them to report their work progress, while only 22 respondents stated that their leaders never asked them to provide a report about progress of their work.
Table 4.6 Report requirement from leaders about the working progress (Q.7)

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>94</td>
<td>81</td>
</tr>
<tr>
<td>No</td>
<td>22</td>
<td>19</td>
</tr>
<tr>
<td>Total</td>
<td>116</td>
<td>100</td>
</tr>
</tbody>
</table>

4.4.2 Leadership

This section contains seven questions which were aimed at exploring the current leadership practices and the satisfaction of employees towards their superiors’ leadership. The survey also attempted to discover suitable leadership styles that can improve work performance of employees.

Question 8

This question asked respondents’ opinions about whether leadership is important in their organisation. The outcome of this question displays in figure 4.3 and illustrates that a very high percentage of respondents or 90.5% believe that leadership plays a critical role in the organisation. On the other hand, only 6.9% and 2.6% think that leadership play a quite important or neutral role in the organisation respectively.

Figure 4.3 Importance of leadership (Q.8)
Question 9

In question 9, respondents were asked to mark their level of satisfaction toward their immediate superior’s leadership. The results of this question show in figure 4.5 and indicate that the highest percentage of respondents or 44% have neutral satisfaction toward the leadership of their immediate superiors, while there are also high percentage of participants, 39% of them who have a limited satisfaction with their immediate superiors’ leadership. The statistic also reveals that there are low percentages of respondents who chose considerable satisfaction and great satisfaction toward their immediate superior’s leadership, which are 9% and 5% respectively. However, only 3% of respondents were not satisfied at all with the leadership of their immediate superiors.

Figure 4. 4 Employees’ satisfaction of their superior’s leadership (Q.9)

Question10

Question 10 asked respondents to rate how their superior executes leadership in the organisation by using a scale from 1 to 5, where 1 indicates not at all, 2 is a little, 3 is average, 4 is high and 5 is very high. Question 10 was designed to understand employees’ point of view towards their immediate superiors’ leadership styles and the outcome of this question displays in table 4.7. When asked respondents to indicate how often their leader made a decision and provided instruction on how to do the job, 50.9% of the respondents rated often, 33.6% chose sometimes, 8.6% opted for always while only 6.9% rated for rarely. When questioned on how much their leader asked for suggestions from team members before making a decision, 35.3% chose sometimes, 29.3% rated often, 17.2% chose always, 13.8% chose rarely and 4.3% chose not at all.
When participants were asked how frequently their leader urged them to complete their work by the time that he or she had specified the highest percentage of respondents or 39.7% opted for often, the second highest percentages or 33.6% chose sometimes, 8.6% and 2.6% rated for rarely and not at all respectively.

When respondents were asked to what extent the leader supported the employee’s wish to develop skills, 38.8% of them chose sometimes, 29.9% rated for often, 15.5% chose rarely, 13.8% chose always and 2.6% opted for not at all.

The last question asked how much the leaders encouraged employees to build good relationship with co-workers, 35.3% of respondents opted for often, 33.6% chose sometimes, 21.6% chose always, 6.9% and 2.6% chose rarely and not at all respectively.

**Table 4.7 Employees’ perspective toward their superior’s leadership style (Q.10)**

<table>
<thead>
<tr>
<th></th>
<th>1- Not at all</th>
<th>2- Rarely</th>
<th>3- Sometimes</th>
<th>4- Often</th>
<th>5- Always</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Makes a decision and provides instruction on how to do the job</td>
<td>0.0%</td>
<td>6.9%</td>
<td>33.6%</td>
<td>50.9%</td>
<td>8.6%</td>
</tr>
<tr>
<td>2. Asks suggestion from team members before making a decision</td>
<td>4.3%</td>
<td>13.8%</td>
<td>35.3%</td>
<td>29.3%</td>
<td>17.2%</td>
</tr>
<tr>
<td>3. Urges employees to complete their work by the time he or she has specified</td>
<td>2.6%</td>
<td>8.6%</td>
<td>33.6%</td>
<td>39.7%</td>
<td>15.5%</td>
</tr>
<tr>
<td>4. Supports employees to develop skills</td>
<td>2.6%</td>
<td>15.5%</td>
<td>38.8%</td>
<td>29.9%</td>
<td>13.8%</td>
</tr>
<tr>
<td>5. Encourages employees to build good relationship with co-workers</td>
<td>2.6%</td>
<td>6.9%</td>
<td>33.6%</td>
<td>35.3%</td>
<td>21.6%</td>
</tr>
</tbody>
</table>
Question 11

Question 11 asked respondents to state to what extent they have been involved in the decision making at their level in the organisation. The outcome of this question is illustrated in figure 4.6 and indicates that half of the respondents or 54.3% of them are sometimes involved in decision making and 28.4% of employees are rarely involved in decision making process. Moreover, the graph also shows that only 15.5% of respondents always participate in decision making and very small number of respondents or 1.7% of them are never involved in decision making.

Figure 4.5 employees’ involvement in decision making (Q.11)

![Pie chart showing the percentage of respondents involved in decision making]

Question 12

In question 12, the participants were asked to rate the statements on a scale from 1-5, with 1 indicates the least important, 2 is unimportant, 3 is neither important nor unimportant, 4 is important and 5 is most important. This question was designed to ask the participant to indicate the most important steps that the leaders should take in order to improve their motivation and performance at work. The results of this question are displayed in table 4.8. When queried on how much should the leaders provide necessary training and advice for employee development, 41.4% of respondents stated that this was the most important, 38.8% chose important, 17.2% chose neither important nor unimportant, 2.6% rated for unimportant, while no respondents or 0.0% stated that this was the least important. In the statement about whether leaders should ask for subordinates’ opinions and suggestions before making decisions, 44% of respondents considered this the most important, 41.4% said this was
important, 11.2% chose neither important nor unimportant, while 2.6% and 0.9% stated that this was unimportant and the least important respectively.

When employees were asked to what extent the leaders should communicate clear goals with employees, 41.4% revealed that this was important, 30.2% chose most important, 25.9% opted for neither important nor unimportant, 2.6% chose unimportant and 0.0% chose the least important. When employees were asked how much leaders should talk optimistically about the future, 44.8% of respondents agreed that this was important, 27.6% stated that this was the most important, 25% chose neither important nor unimportant, 0.9% opted for unimportant and 1.7% chose the least important. In the statement whether leaders should be concerned about your future benefits (such as promotion and pay rise), the highest percentage of respondent, or 45.7% stated that this was the most important, 30.2% opted for important, 17.2% chose neither important nor unimportant, while 6% and 0.9% stated that this was unimportant and the least important respectively.

In the statement that leaders should try to understand the needs of different employees, the statistic reveals that 40.5% of respondents state that this was important, 39.7% chose the most important, 12.1% opted for neither important nor unimportant, 6.9% thought this was unimportant and only 0.9% chose the least important. When queried whether leaders should ensure a good working environment, 44.8% of respondents were of the view that this was important, 28.4% thought this was the most important, 23.3% chose neither important nor unimportant, while only 2.6% and 0.9% stated that this was unimportant and the least important respectively. The final statement in question 12 asked employees to rate to what extent leaders should ensure good relationships among the employees, the highest percentage of respondents or 53.4% revealed that this was important, 30.2% chose the most important, 12.9% opted for neither important nor unimportant, while only 2.6% and 0.9% were of the view that this was unimportant and the least important respectively.

**Question 13**

Question 13 asked respondents to rate six statements by using 1-5 scale, where 1 is indicated the least important, 2 is unimportant, 3 is neither important nor unimportant, 4 is important and 5 is the most important. The aim of this question was to determine employees’ opinion regarding the important characteristics that the leaders should have. When asked whether leaders should be friendly (have good relationships with employees), 41.4% said this was the
most important, 39.7% chose important, 18.1% opted for neither important nor unimportant, while only 0.9% and 0.0% chose unimportant and the least important respectively.

Table 4. 8 Important factors that the leaders should practice in order to improve employees’ motivation and performance at work. (Q.12)

<table>
<thead>
<tr>
<th>1. Provide necessary training and advice for employee development</th>
<th>1- The least important</th>
<th>2- Unimportant</th>
<th>3- Neither important nor unimportant</th>
<th>4- Important</th>
<th>5- The most important</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0.0%</td>
<td>2.6%</td>
<td>17.2%</td>
<td>38.8%</td>
<td>41.4%</td>
</tr>
</tbody>
</table>

| 2. Ask for subordinates’ opinions and suggestions before making decisions | 0.9%                  | 2.6%          | 11.2%                               | 41.4%        | 44%                  |

| 3. Communicate clear goals with employees | 0.0%                  | 2.6%          | 25.9%                               | 41.4%        | 30.2%                |

| 4. Talk optimistically about the future | 1.7%                  | 0.9%          | 25%                                 | 44.8%        | 27.6%                |

| 5. Concern about your future benefits (such as promotion and pay rise) | 0.9%                  | 6.0%          | 17.2%                               | 30.2%        | 45.7%                |

| 6. Try to understand the needs of different employees | 0.9%                  | 6.9%          | 12.1%                               | 40.5%        | 39.7%                |

| 7. Ensure a good working environment. | 0.9%                  | 2.6%          | 23.3%                               | 44.8%        | 28.4%                |

| 8. Ensure good relationships among the employees | 0.9%                  | 2.6%          | 12.9%                               | 53.4%        | 30.2%                |
When queried whether leaders should have self-confidence, 47.4% of respondents agreed that this was important, 25.9% stated that this was neither important nor unimportant, 24.1% chose the most important, 2.6% chose unimportant and no respondents or 0.0% chose the least important. Regarding the statement that leaders should have an effective communication skill, the statistic points out that 50.9% of respondents stated this was important, 40.5% opted for the most important, while 7.8% and 0.9% of respondents chose neither important nor unimportant and unimportant respectively. None of respondents 0.0% chose the least important.

When asked whether leaders should be able to build high levels of hope, optimism and self-efficiency in the workforce, the highest percentage of respondents, 56.9% pointed out that this was the most important, 30.2% stated this was important, 12.9% chose neither important nor unimportant, and it is interesting to note that none of respondents 0.0% chose unimportant or least important.

In the statement asking whether leaders should act ethically, the majority of respondents, 74.1% stated that this was the most important, 19.8% and 5.2% opted for important and neither important nor unimportant respectively, 0.9% chose unimportant and none of respondents chose the least important.

The final query concerning whether leaders should be able to make most decisions without consulting subordinates.35% of respondent viewed that this was unimportant, 26.7% chose the least important, 22.4% opted for neither important nor unimportant, and 10.7% chose important and only 5.2% stated that this was the most important.

**Question 14**

In this question, respondents were asked to rate four statements on the scale from 1-5. 1 is indicated for not at all, 2 is rarely, 3 is sometimes, 4 is often and 5 is always. This question asked participants to indicate to what extent their superiors had carried out the four important
practices concerning leadership in order to explore their point of view on how their leaders share leadership with them. When respondents were asked ‘How often do your leaders encourage you to take control of your own work’. 40.5% chose often, 29.3% sometimes, 21.6% chose always, 8.6% chose rarely and 0.0% chose not at all.

Table 4. 9 Employees’ opinion toward the important characteristics of the leaders (Q.13)

<table>
<thead>
<tr>
<th>Characteristic</th>
<th>1- The least important</th>
<th>2- Un-important</th>
<th>3- Neither important nor un-important</th>
<th>4- Important</th>
<th>5- The most important</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Friendly (have a good relationship with employees)</td>
<td>0.0%</td>
<td>0.9%</td>
<td>18.1%</td>
<td>39.7%</td>
<td>41.4%</td>
</tr>
<tr>
<td>2. Have self-confidence</td>
<td>0.0%</td>
<td>2.6%</td>
<td>25.9%</td>
<td>47.4%</td>
<td>24.1%</td>
</tr>
<tr>
<td>3. Have an effective communication skill</td>
<td>0.0%</td>
<td>0.9%</td>
<td>7.8%</td>
<td>50.9%</td>
<td>40.5%</td>
</tr>
<tr>
<td>4. Able to build a workforce in high levels of hope, optimism and self-efficiency</td>
<td>0.0%</td>
<td>0.0%</td>
<td>12.9%</td>
<td>30.2%</td>
<td>56.9%</td>
</tr>
<tr>
<td>5. Act ethically</td>
<td>0.0%</td>
<td>0.9%</td>
<td>5.2%</td>
<td>19.8%</td>
<td>74.1%</td>
</tr>
<tr>
<td>6. Able to make most decisions without consulting subordinates</td>
<td>26.7%</td>
<td>35%</td>
<td>22.4%</td>
<td>10.7%</td>
<td>5.2%</td>
</tr>
</tbody>
</table>

Regarding the question ‘How much did your leader allow you to set your own goals?’, the statistic indicates that 37.1% of respondents opted for sometimes, 33.6% chose rarely, 16.4%
chose often, 9.5% selected always, and 3.4% chose not at all. When queried ‘How often did your leaders ask for your ideas and suggestions before making decisions?’ the highest percentage of respondents or 39.7% chose rarely, 25% chose sometimes, 23.3% opted for often, 9.5% chose always and only 2.6% chose not at all. When employees were asked how frequently the leaders used their recommendations to improve work processes, the majority of participants chose sometimes, 21.6% chose often, 18.1% opted for rarely, 5.2% selected always and only 9.5% chose not at all.

### Table 4.10 Employees’ opinion toward the important characteristic of the leaders (Q.14)

<table>
<thead>
<tr>
<th></th>
<th>1-</th>
<th>2-</th>
<th>3-</th>
<th>4-</th>
<th>5-</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Encourage you to take control of your own work</td>
<td>0.0%</td>
<td>8.6%</td>
<td>29.3%</td>
<td>40.5%</td>
<td>21.6%</td>
</tr>
<tr>
<td>2. Allowed you to set your own goals</td>
<td>3.4%</td>
<td>33.6%</td>
<td>37.1%</td>
<td>16.4%</td>
<td>9.5%</td>
</tr>
<tr>
<td>3. Asked for your ideas and suggestions before making decisions</td>
<td>2.6%</td>
<td>39.7%</td>
<td>25%</td>
<td>23.3%</td>
<td>9.5%</td>
</tr>
<tr>
<td>4. Use your recommendation to improve work processes</td>
<td>9.5%</td>
<td>18.1%</td>
<td>45.7%</td>
<td>21.6%</td>
<td>5.2%</td>
</tr>
</tbody>
</table>

### 4.4.3 Motivation

This section presents the findings about motivation factors that employees considered to be the significant factors that increased their motivation at work and how satisfied they are with their current work. There are four questions involved in this section and findings from each question are discussed as follows:
Question 15

Question 15 was asked respondents to mark whether they think it is important for the leaders to understand the different needs of employees. The results from this question are illustrated in figure 4.7 and show that the majority of respondents or 96% of them agree that it is imperative for leaders to understand the different needs of employees, while only 1% said it is not important. However, 3% of participants stated that they did not have ideas about this statement.

Figure 4. 6 Employees’ opinion towards the importance of leaders understanding the different needs of employees. (Q.15)

Question 16

In this question, respondents were asked to state the most important factors that motivate them to work for their current organisation. The outcome of this question is indicated in figure 4.8 and reveals that the highest percentage of respondents or 43.1% pointed out that potential for promotion is the most significant factor that motivates them to work in their current organisation, while 35.3% revealed that the satisfactory remuneration is the main
motivation factor. 13.8% of respondents stated that it was because of good working environment and 7.8% of employees opted for interesting work.

**Figure 4.7 The most important factors that motivated employees to work for their current organisation. (Q.16)**

![Graph showing the most important factors that motivated employees to work.]

**Question 17**

Question 17 asked respondents to rate seven statements on a scale from 1-5, where 1 indicated the least important, 2 is unimportant, 3 is neither important nor unimportant, 4 is important, and 5 is the most important. This question aims to understand the main factors that motivate employees to work. The results of this question are displayed in table 4.11. When employees were asked to rate the importance of earning enough money to support themselves and family, 37.9% of respondents stated that this was important and 23.3% pointed out that this was the most important. While 21.6% of respondent revealed that this was neither important nor unimportant, 12.1% stated that this was unimportant.

However, only 5.2% revealed that this was the least important. When asked respondents were asked whether security was the important factor, 46.6% of respondents said that this was
important and 23.3% of them agreed that this was the most important. 12.1% of participants revealed that security was neither important nor unimportant, while 1.7% said that this was the least important and only 0.9% stated that this was unimportant.

When asked whether self-esteem needs (such as self and other-respect) were the important motivating factor, 52.6% of respondents agreed that this was the most important factor, 29.3% pointed out that this was important, 16.4% stated that this was neither important nor unimportant, 1.7% revealed that this was unimportant and none of respondent 0.0% stated that this was the least important. When employees were asked whether interesting and challenging work is the important factor, 38.8% of respondent stated that this was important, 37.9% pointed out that this was neither important nor unimportant, 15.5% said that this was the most important. 6.9% and 0.9% of respondents stated that this was unimportant and the least important respectively. When employees were queried on how much importance opportunity for growth had as the important factor, the majority of respondents 43.1% said that this was the most important, 29.3% considered that this was important, 19.8% pointed out that this was neither important nor unimportant, 6% stated that this was unimportant and only 1.7% agreed that this was the least important.

When asked how much the factor of fairness applies in a workplace the result was important. A total of 44% of participants stated that this was most important, 34.5% pointed out that this was important, 15.5% revealed that this was neither important nor unimportant and 4.3% and 1.7% of respondents stated that this was the least important and unimportant respectively.

When respondents were asked how important the friendly relationship factor was, 41.4% of employees stated that this was important, 28.4% pointed out that this was the most important, 24.1% said that this was neither important nor unimportant, and 6% stated that this was unimportant. However, none of respondents, 0.0% stated that this was the least important.

**Question 18**

Question 18 asked respondents to state the extent to which they are happy with their work. The results of this question is illustrated in table 4.12 and reveals that the majority of respondents or 50.9% of them are neither happy nor unhappy with their work, and 44.8% of them stated that they are quite happy with their work, while only 4.3% of respondents revealed that they are very happy with their work. None of respondent or 0.0% stated that they are not at all happy with their work.
Table 4.11 The important factors that motivate employees to work (Q.17)

<table>
<thead>
<tr>
<th></th>
<th>1- The least important</th>
<th>2- Unimportant</th>
<th>3- Neither important nor unimportant</th>
<th>4- Important</th>
<th>5- The most important</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Earning enough money to support yourself and family</td>
<td>5.2%</td>
<td>12.1%</td>
<td>21.6%</td>
<td>37.9%</td>
<td>23.3%</td>
</tr>
<tr>
<td>2. Security</td>
<td>1.7%</td>
<td>0.9%</td>
<td>12.1%</td>
<td>46.6%</td>
<td>38.8%</td>
</tr>
<tr>
<td>3. Self-esteem needs (such as self and other-respect)</td>
<td>0.0%</td>
<td>1.7%</td>
<td>16.4%</td>
<td>29.3%</td>
<td>52.6%</td>
</tr>
<tr>
<td>4. Interesting and challenging work</td>
<td>0.9%</td>
<td>6.9%</td>
<td>37.9%</td>
<td>38.8%</td>
<td>15.5%</td>
</tr>
<tr>
<td>5. Opportunity for growth</td>
<td>1.7%</td>
<td>6.0%</td>
<td>19.8%</td>
<td>29.3%</td>
<td>43.1%</td>
</tr>
<tr>
<td>6. Fairness in the workplace</td>
<td>4.3%</td>
<td>1.7%</td>
<td>15.5%</td>
<td>34.5%</td>
<td>44.0%</td>
</tr>
<tr>
<td>7. A friendly relationship</td>
<td>0.0%</td>
<td>6.0%</td>
<td>24.1%</td>
<td>41.4%</td>
<td>28.4%</td>
</tr>
</tbody>
</table>

Table 4.12 Level of employees’ happiness with their work (Q.18)

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not at all happy</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Neither happy nor unhappy</td>
<td>59</td>
<td>50.9</td>
</tr>
<tr>
<td>Quite happy</td>
<td>52</td>
<td>44.8</td>
</tr>
<tr>
<td>Very happy</td>
<td>5</td>
<td>4.3</td>
</tr>
<tr>
<td>Total</td>
<td>116</td>
<td>100</td>
</tr>
</tbody>
</table>
4.4.4 Open ended question

This section presents the findings of the two open-ended questions that participants responded to in the questionnaire. This section aims to discover a deeper understanding about employees’ concerns regarding the leadership style of their superiors and their recommendations on what the superiors should do to increase employees’ motivation at work.

Question 19

Question 19 is the first open-ended question and asked respondents to share their biggest concern regarding the leadership style of their superior. There are 68 participants who responded to this question and the outcome revealed six main points of concern. Firstly, 19 participants were worried about inequality practices of their superiors. Eight of them stated that their leaders did not provide the same opportunities for training to all employees and five of them pointed out that they did not receive the same challenging work as some other staff in the same department. Thus these respondents felt that they were not important and had a very small chance to improve their work performance. Six of the respondents stated that their leaders did not have a fair salary and reward system. They said that some staff who worked on the same level of responsibility and performance, did not all receive the same amount of remuneration and rewards. Secondly, twenty respondents were concerned that their leaders focused too much on the goals that had been set to each individual staff member and encouraged employees to work hard to reach the goals. They explained further that they often received a work load that was too much for a day and they got very stressed by the unreasonable target that their superior had set for them.

Thirdly, eight other respondents were concerned about the organisational policies and pointed out that their superior did not act to develop new policies that were fair toward employees. They mentioned insufficient sick leave, annual vacation and maternity leave. Fourthly, eleven of the respondents revealed that their leaders often did most of the decision making and staff had to follow all instruction that had been given by their leaders. The respondents said they
had hardly any opportunities to share ideas so they were worried that they might have no chance to show their abilities and enthusiasm for their work. Fifthly, five respondents stated that their leaders attached little importance to building good relationship in the organisation and these leaders rarely spent free time talking with employees or providing some activities, such as an organisation party, to increase good interpersonal relationships within the organisation. Lastly, five respondents observed that their superior rarely talks optimistically about the future of employees so they could not be sure whether there are any opportunities for them to grow in this organisation.

Question 20

This question is the last open ended question and asked participants to share their opinion on what their superiors should do to increase their motivation at work. There are five main points that the respondents discussed. In the first point, the majority of the respondents were of the view that leaders should be fair to all employees and make every single staff member feel as if they are an equally important part of the organisation. Leaders should provide the same opportunities for individuals to attend important training and should give responsibilities to individual staff members that truly empower and allow them to grow. Respondents also pointed out that they always compare their rewards with those of their colleagues, so each employee should receive fair rewards and prizes in order to motivate them to improve their work performance.

Secondly, 10 respondents stated that it is imperative for the leaders to be self-confident and have good communication skills in order to motivate employees to perform better. They explained that leaders should be friendly and open for two way communication so that employees can share their ideas and ensure that leaders understand their problems. This would make employees feel that their leaders trust and respect them.

In the third point, 14 respondents believed that opportunity for promotion is the most important factor that sustains high level of staff motivation. Leaders should provide any practices that improve employees’ chance for career advancement. Some examples of the practices are; holding regular group meeting, providing necessary training and assigning important tasks to employees.
In the fourth point, 11 respondents agreed that giving good rewards and compensation is the most significant practice that leaders should consider. Some examples of good rewards and compensation that the respondents shared are an annual bonus, employee of the month awards and appropriate pay rises. In the final point, five of the respondents stated that leaders should lead by example. For instance, leaders should be trustworthy, persistent, punctual, take responsibility, be friendly and be a good listener.

4.5 Hypotheses

The hypotheses of this research aim to enable a deeper understanding of the relationships between variables that are related to each other in order to better answer the research questions. Since not all objectives are necessary to find the relationship between variables, there are only two main hypotheses to be tested in this study and the findings of each hypothesis are as follow.

4.5.1 Hypothesis 1

This hypothesis aims to answer the first research objective which is to assess leaders’ and employees’ perspective about the importance of leadership. In the questionnaire, employees at all levels, both top management and lower staff level, participated in the survey. Hence, the findings of the survey represent the perspective of all employees. Hypothesis 1 attempts to examine whether working experience relates to employees’ perception about the importance of leadership in the organisation. The correlation method was employed in this research and the hypotheses in this case are:

\[ H_{10} \text{ – Employees at all levels in the Lao banking sector recognise the importance of leadership.} \]

The outcome of this analysis is presented in table 13 and illustrates that the sig. (2-tailed) value is 0.721 which is greater than 0.05. Therefore it fails to reject the null hypothesis and from this one can conclude that there is no relationship between employees’ working experience and employees’ perception about the importance of leadership in the organisation.
Therefore, it can be said that employees at all levels in the Lao banking sector (who have different working experience) recognize the importance of leadership in an organisation.

### Table 4. 13 The relationship between working experience and employees’ perception about the important of leadership in the organisation

<table>
<thead>
<tr>
<th>The relationship between working experience and employees’ perception about the important of leadership in the organisation</th>
<th>Indicate your working experience</th>
<th>what extent do you think leadership is important in your organisation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indicate your working experience</td>
<td>Pearson Correlation</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>116</td>
</tr>
<tr>
<td>what extent do you think leadership is important in your organisation</td>
<td>Pearson Correlation</td>
<td>0.034</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>0.721</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>116</td>
</tr>
</tbody>
</table>

#### 4.5.2 Hypothesis 2

In order to answer the sixth objective of this research which aims to explore employees’ satisfaction towards their superiors’ leadership, the T-Test analysis method was conducted in this study to determine whether there is a significant difference between males and females in respect of their satisfaction regarding their superiors’ leadership. The hypotheses in this case are:

H$_{20}$ - There is no difference between males and females in respect of their satisfaction regarding their superiors’ leadership
Levene's Test

According to table 4.14, it can be seen that the significant value of Levene's Test for Equality of Variances is 0.846 which is greater than 0.05. Because of this, it can be concluded that there is no difference between males and females in respect of their satisfaction regarding their superiors’ leadership.

Equality of Means

The Sig. (2-tailed) value of T-Test for Equality of Means is 0.791 which is higher than 0.05. Therefore, it can be said that there is no significant difference between males and females toward the satisfaction of their superiors’ leadership.

Table 4. 14 Independent Samples Test on the difference between males and females in respect of their satisfaction regarding their superiors’ leadership

<table>
<thead>
<tr>
<th>The difference between males and females toward the satisfaction of their superiors’ leadership</th>
<th>Levene's Test for Equality of Variances</th>
<th>t-test for Equality of Means</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>F</td>
<td>Sig.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>what extent are you satisfied with your immediate superiors’ leadership</td>
<td>Equal variances assumed</td>
<td>.038</td>
</tr>
<tr>
<td>Equal variances not assumed</td>
<td>.275</td>
<td>97.659</td>
</tr>
</tbody>
</table>
4.4 Summary

This chapter presented all the data that was collected from the survey questions, the in-depth interviews and the questionnaires. In the interview section, the answer of eleven respondents in each interview question was presented by combining the same ideas into meaningful conclusions in order to see the key ideas that were mainly discussed in the interview. The outcomes of the interviews resulted in useful information to better understand how managers in the banking sector apply their leadership in the organisation. In the questionnaire section, there are a total of 116 respondents who participated in this survey. The first part of this section presents the demographic statistics of the respondents which include gender, age group, working experience and level of education. The second part presents the statistics regarding the respondents’ work performance which involves the satisfaction toward work performance, feedback about work performance and reporting about the progress of the work.

The third part of the questionnaire is about leadership and this part is considered to be the most significant element of the survey because it covers several important aspects of leadership such as leadership practices that improve staff’ motivation at work, current leadership styles and effective leadership characteristics. The fourth part presents the outcomes of the motivation survey which covers the area of motivation factors that increase staff work performance. The final part of the questionnaire section presents the outcomes of the two open-ended questions and there are a total of 68 respondents involved in this part. In the third part of the chapter, the researcher employed correlation and T-Tests as the data analysis methods to presents the results of the two hypotheses.

The findings from the survey are discussed in-depth in Chapter five.
CHAPTER 5
DISCUSSION OF FINDINGS

5.1 Introduction

This Chapter focuses on the overall findings from Chapter Four in relation to the relevant theories and literature review in Chapter Two, to develop a better understanding of the practical leadership styles that could increase employee motivation in the workplace. In this chapter there are seven main discussion points and each point aims to answer different objectives and sub-research questions of this study. The first point is to determine the perspective of leaders and employees in the Lao banking sector towards the importance of leadership in developing workplace motivation. In the second point current leadership practices in the existing banks are discussed in detail. Thirdly, this chapter delves into the limitations that prevent leaders from improving their leadership and staff motivation. Fourthly, the chapter explores the approaches that leaders applied to evaluate their staff’s work performance and to what extent they do empower their followers. Next, this chapter highlights some of the main problems regarding the current leadership practices. After that, the appropriate leadership style that employees prefer to be practiced in the workplace is discussed. Finally, the chapter focuses on the significant factors that are able to motivate employees to work.

5.2 The importance of leadership

As mention in Chapter one that Laos is in a period of dynamic change and the government requires organisations and businesses to improve their service and business performance. Specifically, the Bank of Lao PDR strongly requires all commercial banks to put more effort into improving the soundness, efficiency and good performance of their business. Leadership is strongly related to the successful conduct of business and the improvement of staff performance. However, so far there is very limited literature about leadership in the Lao banking sector. Hence, it is interesting to know whether managers in this sector recognize the importance of leadership. One of the sub-research questions in this study is to ascertain the understanding of leaders and employees in banking sector about the importance of leadership in developing workplace motivation. Therefore, the first questions asked in the interview are
“Do you think leadership from top management is important to the success of the organisation?” and “Why?” The purpose of these questions is to determine the extent to which top managers in the Lao banking sector recognize the importance of leadership in developing their organisation.

Results of the study show that all respondents recognized that leadership from the top management is very important in the success of the organisation. Different respondents have various reasons on why leadership is important. The most significant point from the findings is that the majority of respondents said that leaders are important because they are the role models for their subordinates, especially the ethical role models (SL3)(SL1)(SL6)(SL9). They discussed the belief that ethical leaders can build trust for employees and motivate them to have more commitment to their job. Moreover, (SL9) pointed out that it is necessary to have ethical leaders in order to build a good reputation for an organisation. This view is also strongly confirmed by many studies such as (Cremer, 2009; Grover & Moorman, 2009) who state that leaders have a great influence on the ethical climate in an organisation and employees are motivated to work better by leaders who have an image of integrity.

From the interview discussions, it can be seen that all the top managers recognized the important of leadership and their main reasons are as follows: leaders can be an ethical role model, leaders have necessary knowledge and skills, leaders have a clear vision for the organisations, leaders can ensure good team work and friendly relationship in an organisation. However, it is interesting to note that the respondents did not discuss the important of leadership that related to staff motivation at work. Furthermore, Question 8 in the questionnaire posed the question: “To what extent do you think leadership is important in your organisation?”

The aim of this question is to explore whether employees in the Lao banking sector recognize the significant impact of leadership on their work performance and motivation. According to the data collection shown in figure 4.3, the majority of respondents or 90.5% of them viewed that leadership plays a significant role (very important) in the organisation and very few of the participants considered that leadership was ‘quite important’ in the organisation. The results, both from in-depth interviews and the questionnaire, clearly show that employees at all levels see the importance of leadership’s contribution to the success of the organisation.
5.3 The current leadership practices

One of the objectives of this research project is to explore current leadership styles in the Lao banking sector. The results of the study show that most of the managers execute their leadership style in more than one particular way. However, senior managers seem to have a more optimistic view of their leadership styles, especially for participative and transformational leadership styles, which is in contrast to the recorded critique that emerged from the employees’ responses in the questionnaire.

5.3.1 Goal-oriented leadership style

According to the in-depth interview, a goal-oriented leadership style has been applied in the organisation. This is conclusion is based on respondents (SL11)(SL8)(SL7)(SL5) statement that they direct their team by taking decisions and setting the specific tasks for each of their subordinates. These respondents also believe that the most important practice to ensure business growth is to ensure that all employees focus solely on the organisational goals. The most important role of leaders is to provide clearly defined tasks for each individual employee and to encourage them to put their best effort toward achievement. This practice is closely related to the Goal-oriented leadership style where leaders concentrate on a process and structure, especially on what to do, how to do it and who should do a task. This style also requires team members to focus solely on the organisational goals and minimize their concentration on the influence of other factors that are unrelated to the specific goals(David & Stanley, 2013; Ronald, 2010).

Furthermore, in order to understand employees’ point of view towards their immediate superiors’ leadership styles, employees were asked in question 10 to rate how their superiors execute leadership in the organisation. The results show that the highest percentage of participants pointed out that their immediate superior often urged them to complete their work by the time he or she had specified. This statistic indicates that managers in the top level have a high level of productive energy, focus mainly on the process of developing employees’ job performance and on deadlines. According to the literature review, the goal-oriented leadership style has a high potential to create problems; this is because team members are too narrowly focused and often overlook opportunities and problems that fall outside of their concern.
5.3.2 Autocratic leadership style

Another leadership style that can be observed is the autocratic leadership style where (SL11)(SL8) stated that they do most of the decision making in their team and always allocate specific tasks to their subordinates. This is also support by the finding from the questionnaire that the majority of employees recognized that their immediate superiors often make a decision and provide instruction on how to do the job. Some of the employees stated that their superiors rarely ask for their ideas and suggestions before making decisions. This practice is strongly related to the autocratic leadership style where leaders who use this approach lead by telling others what to do and making decisions without consulting the employees who will be affected by them (Adeniyi, 2010). From the literature review, this type of leader can be described as directive, coercive and persuasive, initiators of structure and focused on goals.

5.3.3 Participative leadership style

The study revealed that the majority of managers executed the participative leadership style. According to (SL10)(SL9)(SL6)(SL4)(SL3), they usually gave advice to their subordinates rather than giving directions on how to do the job. This practice supports the participative leadership style about which Obolensky (2010) states that leaders who use this approach apply little control over the process of decision-making and concentrate mainly on moving the team toward consensus rather than having control over all tasks. These five respondents also mentioned that they laid emphasis on empowering team members to help develop strategies and encouraged all subordinates to share their ideas in the process of decision making. However, some employees were not satisfy with their superiors’ leadership and they perceived that their leaders do most of the decision making in the team and setting specific tasks for team members (see table 4.7). On the other hand, some employees claimed that their superiors have applied this leadership practice to them. The results show that the highest percentage of employees, 40.5%, stated that their superiors encouraged them to take control of their own work (see question 14).

From the literature review, participative leaders will encourage all members of a team to be involved in identifying problems and developing strategies to reach their goals. Moreover, the statistic also reveals that the majority of employees stated that their leaders sometimes allowed them to set their own goals. These data support the concept that the managers apply
participative leadership because they provide autonomy to employees to take control over their own work and set goals where employees will have a greater sense of responsibility over their own work. Moreover, when respondents were asked to what extent their immediate superiors used their recommendations to improve work processes, the majority of respondents stated that their leaders sometimes employed their ideas to develop better processes for the work. This shows that leaders recognize the importance of the participation by their employees, which relates to the participative leadership style where leaders consult with followers and take employees’ ideas into account. The leaders give advice and suggestions rather than direction, and create a friendly, co-operative and creative work environment for the whole team (Wart, 2012). The literature review shows that employees who work for participative leaders will feel that their ideas are significant and they perceive that they are being trusted to make good decisions, so they will develop a feeling of self-esteem. They will also believe in their abilities and have more respect for themselves (Ricketts & Ricketts, 2010).

5.3.4 Democratic leadership style

Another leadership style that was identified from the study results is democratic leadership. The majority of respondents in the in-depth interview (SL11)(SL7)(SL6)(SL2)(SL1)(SL8) pointed out that they are friendly towards their subordinates. These leaders believe that a friendly environment is significant in building positive productivity because employees feel relaxed and comfortable in speaking out their ideas. Hence, they often spend their spare time talking with their employees and trying to create a positive work environment. In the questionnaire, when respondents were asked to rate how their superior executes leadership in the organisation, the highest percentage of respondents revealed that their leaders often encouraged employees to build good relationship with co-workers. From the findings, it can be said that managers see the importance of a good working environment and try to create an atmosphere that helps employees to be happy with the working environment. This leadership style is in line with the democratic leadership where Crisp and Turner (2010) explain that this type of leader creates a cooperative, friendly and task-oriented atmosphere where group members feel that the contribution of their ideas and knowledge is significant.
5.3.5 Transformational leadership

The final leadership style that can be observed from this study is transformational leadership. Results from in-depth interviews show that two respondents (SL3)(SL10) explained that their leadership style emphasized providing coaching for their subordinates to ensure that each staff member had appropriate skills for his work and also to reduce any mistakes that might happen in a job due to low skills. Findings from the survey illustrate that the majority of respondents mentioned that their superior supported employees in developing skills, so it can be said that managers see the importance of training in order to improve skills and performance of the staff. In contrast the results from the questionnaire reveal that most of the employees perceived their superiors to have a less transformational leadership style because their superiors always make decisions without asking suggestions from team members before making decisions (see table 4.7).

It can be argued that the majority of senior managers want to empower their staff but the organisational policy does not give much support and they have to follow policy regarding a work procedure strictly. Therefore they cannot allow any freedom or give authority for staff to make decisions on their own work processes (see interview question 3.2). According to DuBrin (2013), transformational leadership is the process that transform people and motivates employees to commit to organisational visions and goals. This type of leader develops the performance of employees by coaching and providing both challenge and support. Daft and Pirola-Merlo (2009) state that employees who work for transformational leaders are more motivated, satisfied and perform better.

5.4 Limitations to improving leadership and staff motivation

In order to find out what leadership styles leaders should apply to increase work place motivation, it is necessary to know what challenges top managers have encountered and to identify the obstacles that might prevent them from improving their leadership skills and staff motivation. In the following section the challenges to leadership and staff motivation will be discussed to explore the areas in which leaders need to improve their own leadership abilities.
5.4.1 Leadership challenges

In question 5.1 in the in-depth interview, managers were asked: “Is there any limitation to improving your own leadership?” and “Why?”. Results from the interview indicate that the majority of respondents (SL9)(SL8)(SL4)(SL2)(SL1)(SL3)(SL5) pointed out that they do not have much knowledge about leadership. Since they never have had training about leadership, it is hard for them to apply effective leadership strategies with their team members. (SL3)(SL5) believed that the main reason why Human Resource Departments did not provide leadership training was because HR considered that people in the senior level should already have enough knowledge and experience on leadership. Hence, they felt it was not necessary for HR to provide leadership training for managers and leaders. However, there are unpredictable changes in today’s business and numbers of new approaches in employment management. Leadership training is a powerful tool to improve knowledge for managers and leaders. Leaders should always have leadership training in order to provide them with knowledge, techniques and procedures which will increase their sense of control over the group’s tasks and activities (Adair, 2009).

Two managers (SL10)(SL7) shared the situation that their main problem is that they sometimes cannot employ the leadership style that they wish to because their leadership practice would not fit in with the culture and the goals of the organisation. They gave one example; that they wanted their subordinates to be involved in decision making and they wanted to spend some time coaching and guiding their staff in completing the task. However, the chairman wanted them to take responsibility for decision making themselves and to encourage all employees to focus mainly on the organisational goals. In order to deal with this issue, leaders should bring their concerns for discussion in the board meeting, to explain the problem that other shareholders might not understand and find the solution together. Lawrence (2012) discusses the desirability that a business owner should be open minded and listen to feedback from employees. All levels of employees should be encouraged to demonstrate creativity and take an interest in setting policies and have maximum job satisfaction.

Two other respondents (SL4)(SL6) said that the main obstacle to improving their leadership is they do not have enough time to learn or gain more knowledge about leadership. They maintained that they were too busy with their daily work. They wished they could have some spare time to learn leadership by themselves or read articles about leadership practices that
can be applied in an organisation. However, effective time-management skills are important for leaders. Good time-management helps leaders to identify the problem of allocating their time, so leaders can implement proper planning and scheduling (Junarso, 2009).

5.4.2 Challenges concerning staff motivation

Question 3.2, in the interview, asked managers: “What challenges have you experienced regarding staff motivation?” The majority of respondents pointed out that their most important challenge concerning staff motivation is that the organisational policy does not support the way in which they want to motivate their employees (SL7)(SL6)(SL5)(SL4)(SL2). Even though most of the employees prefer their leaders to be more concerned about the benefits of staff (see table 4.8), the majority of senior managers pointed out that they cannot make the final decision on this. This is because the organisational policy does not give much support to employee motivation; especially in respect of pay raises, training, and financial rewards. Two other respondents (SL1)(SL11) revealed that the most challenging for them was that they were not making the final decisions. They explained that even though they wanted to implement some motivation tools with their staff, most of the ideas that they put forward were rejected by the committee and the chairman. Thus, leaders could not implement noteworthy motivation tools to encourage employees to work. This may reduce employees’ interest in their work and leaders may also become dissatisfied with their job and the management of the organisation. According to Herzberg’s two-factor theory, factors that cause employee dissatisfaction are hygiene (KITA) factors which include administration and organisation policy, interpersonal relationships, supervision, salary, working conditions and job security (Singh, 2009). Therefore, the management team should reconsider and develop better policies that enhance good employment relations in order to increase staff motivation in the organisation.

Three respondents (SL10)(SL9)(SL8) stated that the most challenging aspect they encountered regarding staff motivation is that different employees have different needs. While most of employees wanted their superiors to understand their different needs (see table 4.8) the findings from the interviews show that their leaders did not try their best to solve this problem. Senior managers said that it is very difficult to implement a motivation tool that meets the needs of all staff members because each individual’s reasons for working of are
different. However, according to the literature review, it is imperative for leaders to understand individuals’ needs and their personal beliefs in order to relate both these characteristics to the organisational goals. Leaders can develop their level of understanding of the needs of employees by observing, asking, listening and establishing trust (Shelton, 2012).

Moreover, one respondent (SL3) recognized that the biggest issue regarding staff motivation is that staff members like to compare their salary and compensation with those of other organisations, so if the organisation does not provide the satisfactory benefits to staff then it is very difficult to recruit and retain committed employees. It is very interesting to see that only one manager recognized this issue while findings from the questionnaire showed that the majority of employees wanted their superiors to provide fair practices in an organization (see table 4.11). This issue is explained in the equity theory which states that individuals are motivated to work by the sense of their being treated fairly. Elkin et al. (2008) suggest that management should frequently monitor the difference in rewards, both inside and outside the organisation, to ensure fairness in the workplace. Vecchio (2006) agrees and adds further that management should ask the employees to assess their reactions or feelings of fairness in an organisation.

5.4.3 The professional development needs for leaders

When we asked managers in the in-depth interview: “In what areas do you want to improve your own leadership?” the highest number of respondents revealed that they need to have leadership training in order to understand more practical ideas on how to lead the team and what approaches should leaders should apply to improve their leadership skills (SL10)(SL9)(SL7)(SL6)(SL4)(SL2)(SL1). They pointed out moreover that so far they had had to learn to improve their leadership skills from their own experience. However, by learning from experience only it might take a long time to discover an effective leadership style that fits the team.

Nel et al. (2012) suggest that team leaders should receive extra training in interpersonal relations, leadership, problem solving, facilitation, conflict handling and coaching. Three other respondents mentioned that they wanted to improve their leadership communication skills in order to persuade their followers and gain subordinates’ trust (SL8)(SL5)(SL3). According to the literature review, leaders can ensure good communication by actively
listening to employees and trying to understand their needs, attitude and values, desires and personal goals then select the appropriate channels of communication to facilitate dialogue.

It is interesting to see that one respondent was totally happy with his leadership and there was no area that he wanted to improve because he has a lot experience in leading the team (SL11). However, effective leaders should always recognize their strengths and weaknesses and should not stop improving their knowledge and skills because a particular management style may not work once the situation changes.

5.5 Employee work performance

In this research project, one of the main objectives is to discover approaches that leaders in the banking sector applied to evaluate staff’s work performance in order to have a deeper understanding of the current leadership practices in the organisation. The following section presents approaches that leaders employ to evaluate their staff’s performance and also focus on levels of employment empowerment in the organisation.

5.5.1 Approaches to evaluating staff’s performance

The outcomes from the in-depth interviews reveal that all eleven respondents have much the same approach to evaluating staff’s performance and they emphasised the accuracy of their evaluation process. Both superiors and employees have to complete the same form of performance appraisal. This means that each employee needed to evaluate their own performance and after they had finished completing their self-evaluation form, they then submitted it to their direct superior to determine the final performance assessment. In order to get a better understanding of each staff member’s working performance, five of the respondents pointed out that they also evaluate their subordinates’ work performance by asking other members of the group to evaluate the performance of their colleagues (SL3)(SL6)(SL7)(SL8)(SL10). According to the literature, involving employees in the evaluation process is considered to be a useful practice because leaders will then truly understand individual performance expectations.

Leaders should involve employees in performance evaluation process since employees are more likely to want to have their voices heard. When employees are involved, they will
understand the process and trust the system (Solomon, 2009). However, three other respondents stated that they evaluate staff’s performance on the overall outcome and performance of their team (SL2)(SL5)(SL11). This approach might not be fair and reasonable for every employee in an organisation. Armstrong (2012b) explains that leaders should not assess employees’ performance only on the results of their overall team achievement but also on the level of individual performance and contribution to the team because being part of a high performance team can be a reward in itself.

In the area of feedback and coaching, the highest percentage of respondents revealed that they receive feedback from their superiors every year and every month. This reflects that leaders in the organisations see the importance of providing on-going feedback to their subordinates. According to the literature review, this activity is used to enhance appropriate behaviour, to teach group members new skills, to motivate employee to develop their performance, as well as to improve performance deficiency. Moreover, the majority of respondents or 94 people shared that their superiors used to ask them to report about the progress of their work. Apart from asking employees about their performance, leaders can use performance appraisal to inform followers about their rate of growth, their potential and their competencies in order to enable employees to understand their performance and create individual development goals to improve their performance (Griffin, 2011).

Overall, there are two main approaches that top management can apply to evaluate their staff’s performance which are: An accurate evaluation process, and ongoing feedback. However, there are more effective performance management systems that leaders can apply such as strong performance goals and a reward system. Walker (2011) explains that goal setting is a motivational tool in the workplace and it helps employees regulate their own work and job performance. It is imperative for leaders and followers to regularly discuss work planning and the goals of the team in order to help employees clearly understand their individual goals which make them become more engaged with their job. Furthermore, to ensure having an effective performance management process, leaders should have a strategic reward system for subordinates that addresses the area of benefits, compensation, appreciation and recognition Walker (2011).
5.5.2 Employee empowerment

It is necessary to ascertain the level of employee empowerment in the organisation. In the in-depth interviews, question 3.1, the participants were asked to share the level to which leaders empower their staff to perform better. Results of the interviews indicate that only a few of respondents empower their staff quite a lot, while the majority of them said that they empower their staff to a limited extent which means that each employee has particular level of authority and ability to control work. The suggestion regarding this finding is that the leaders should see the importance of employee empowerment because if every member has power, then the organisation is more powerful. Thus, leaders should inspire employees to take action and make them feel that their actions count.

Leaders can empower their staff through the sharing of relevant information on the provision of control over factors affecting job performance. This allow employees to have more control and a sense of responsibility for their work (Saxena & Awasthi, 2010). Moreover, according to the literature review, in order to make good decisions and to increase their own potential, Leaders should minimize the focus on decision making and lay more emphasis on good communication, training and leadership. There is a low level of staff empowerment in the organisations. Statistics from the questionnaire indicate that more than 50% of respondents felt neutral satisfaction with their current work performance and only 15.5% of people felt very satisfied with their current job performance. It is strongly supported by the literature that low staff empowerment leads to low self-efficacy and work motivation of employees. Shelton (2012) explains that empowerment provides strong motivation to employees since it meets the needs of individuals which make people feel they are effective. Therefore, leaders should consider to creating a work environment in which employees are empowered, contributing, productive, and happy (Brady, 2009).

5.6 Employees’ satisfaction towards their superiors’ leadership

In order to identify suitable leadership styles, it is imperative to establish the weakness of current leadership practice from the point of view of employees. A benefit of the findings is that they allow top managers to see problems that they might not have been aware of and then effectively identify the better leadership styles to apply. According the survey, it can be seen that numbers of employees were not satisfied with their immediate superiors’ leadership practices. The statistics reveal that nearly half of all respondents have neutral satisfaction
toward the leadership of their immediate superiors and 39% of participants have only a limited satisfaction with their immediate superiors’ leadership. The reasons behind why the respondents felt so little satisfaction with their superiors’ leadership style was provided by the open ended question, number 19, where the outcome shows that there are six main points to be considered. The first area that respondents pointed out was unfair practices by their superiors. They elaborate that their superiors did not provide all employees working at the same level with the same opportunities such as training, challenging work, reward and salary.

It can be said that some managers may fail to recognize the issue of unfair practices in an organisation because during the interviews none of the interviewees were concerned about or discussed the problems of fairness in the workplace. Unfair practices from a leader might make employees feel disappointed and have a low motivation at work. This is strongly support by the equity theory that employees compare their own input (effort) and output (rewards) both inside and outside an organisation and if they see a difference between their rewards and prizes and those of their colleagues it will motivate them to perform more or less efficiently (Stone, 2010). Managers should ask the employees to assess their reactions or feelings of fairness in an organisation. The second issue that employees were concerned about is that their leaders focused too much on the goals which make them feel stressed with deadlines and an unreasonable workload every day. Negative stress causes a decrease in service competence and performance at work because when employees are suffering from the effects of stress they can have low concentration and limited communication skills (Stinson, 2010). Therefore managers should have effective performance management strategies, especially in respect of managing stress in the workplace.

The third issue that employees were concerned about was the poor organisational policies. They pointed out that their superiors did not act to develop new policies that were fair to employees, for example sufficient sick leave, annual vacation and maternity leave. Employees wish to see their superiors act to protect their rights and make them feel valued and important. According to Bello (2012), leaders should act to improve the situation and create policies that are fair to all employees because it is more likely to bring about employees’ job satisfaction and the willingness of employees to put in extra effort on work which will lead to increased employees’ job performance. The fourth issue to be concerned about is decision making. Many employees revealed that their leaders often made most of the decisions and staff had to follow all instructions that had been given. They pointed out further that they hardly had opportunities for sharing ideas so they were worried that they might have...
no chance to display their abilities and enthusiasm for their work. This practice may reduce employees’ motivation for their work since they feel they do not have growth opportunities. According to the literature review, effective leaders should inspire employees to take action and make them feel that their actions count. Leaders should also help subordinates to improve their skills and confidence to make good decisions to increase their full potential.

The fifth issue that employees mentioned was that their leaders played only a small role in building good relationships in the organisation. Employees observed that their leaders rarely spent free time talking with employees or providing some activities, such as an organisation party, to increase good interpersonal relationship within the organisation. According to the findings of the interviews, only two of the managers mention the importance of creating good relationships in the workplace. Leaders should understand that good relationships in the workplace lead to a strong association among employees working together in the organisation. Leaders should create good working relationships and encourage practices that enhance good personal relationships at work which can bring about happier staff, more stable relationships in the workplace and a better work culture (Ginsberg & Davies, 2007). The last issue that employees were concerned about was that their superiors rarely talked optimistically about the future of employees. Employees want to ensure that they have potential opportunities for them to grow in the organisation, so it is important for leaders to often communicate high expectations for employees in order to increase employees’ sense of competence and self-efficacy.

5.7 Preferable leadership styles

The key objective of this research is to identify the most appropriate leadership style that employees prefer to be practiced in the workplace. Results from the survey show that there are four main leadership styles that employees wished their leaders to practice in order to improve their performance and motivation at work. The possible four effective leadership styles are; authentic leadership, transformational leadership, charismatic leadership, and participative leadership. The summary of practical leadership styles that employees in the Lao banking sector prefer their leaders to practice is displayed in figure 5.1 and the reasons why each leadership style fits in with the needs of employees is discussed in the following section.
5.7.1 Authentic leadership style

The most outstanding leadership style that employees discussed is authentic leadership which mainly related to the ethical practice of the leaders. According to data from the survey, the majority of employees, or 74.1% of them, suggested that the most important characteristic that leaders should have is ethical behaviour. Employees discussed in the open-ended question that leaders should have fair practices toward all employees and should make sure that every single staff member feel as if they are an equally important part of the organisation. They commented further that leaders should provide fair rewards and the same opportunities for individual to attend important training and give responsibilities to individual staff that will truly empower and allow them to grow. However, it seems that leaders have a very low concern concerning the significance of ethical practice in the workplace because in the
interviews dealing with question 2.1 there was only one interviewee who pointed out the significance of fair practice by leaders. Therefore, in order to increase staff’s work performance and motivation, it is imperative for leaders to be more aware of their moral behaviour in the workplace.

Authentic leadership is the effective leadership style that leaders should understand and carry out because a leader who has this leadership style provides fair practice to all employees and has a high sense of moral right and wrong, transparency and honesty. According to the literature review, there are five basic characteristics of authentic leaders such as; establishing trust relationships with followers, acting on their values, understanding their purpose, valuing the moral right and strongly valuing their mission (Northouse, 2010). Authentic leaders motivate followers to increase performance by building a workforce having high levels of hope, optimism and self-efficiency. Employees’ optimism is significant for an organisation because of their higher work performance, motivation and job satisfaction. Results from this research survey reveals that employees need their leaders to lead by good example. According to McClelland’s ‘learned need’ theory, modeling is important as employees will learn to imitate people whom they respect or admire (Elkin et al., 2008). Authentic leaders can be good role models for employees since they are deeply aware of how leaders think and behave which can be a positive model to their employees.

Furthermore, results from the survey showed that a large number of employees required leaders to ensure a good working environment. Hence, fair practices by the authentic leaders enhance employees’ optimism and also create a good environment in the workplace. Wilde (2013) explains that the characteristics of authentic leaders have a positive effect on the employees’ psychological and emotional responses which consequently produces an optimistic work attitude as well as a good relationship between leaders and followers. Therefore, in order to develop authenticity in followers, it is imperative that leaders should be aware of and improve their ethical practice by increasing positive modeling, self-awareness, and self-regulation (Härtel & Ganegoda, 2008).

5.7.2 Transformational leadership style

The results of the survey clearly showed that most employees expect to have leaders that are able to build a workforce with a high level of hope and give them an opportunity to grow, which is directly linked to the transformational leadership style. According to the literature
review, transformational leaders inspire their subordinates not just to follow them personally but also by helping followers become leaders themselves. Transformational leaders also have the ability to inspire followers to have a high level of performance by helping them to develop their potential by inspiring vision, showing optimism about the future and empowering followers to make change happen. Employees who work for transformational leaders are more motivated, more satisfied, and perform better (Daft & Pirola-Merlo, 2009).

Data from the questionnaire reveals that numbers of employees believed that it is imperative for leaders to talk optimistically about the future of the organisation and more than half of the respondents in the survey suggested that leaders should be able to build a workforce with high levels of hope, optimism and self-efficiency. The respondents explained, in the open ended question, that staff’s opportunity for promotion is the most important factor that sustains a high level of employee motivation. Hence, leaders should provide opportunities that improve employees’ chance for career advancement.

Training is one of the significant practices that employees require their leaders to consider. Results from the survey showed that nearly half of respondents suggested that providing necessary training is one important practice that can improve their motivation and performance at work. Employees believed that through training they would have more opportunities for promotion because they are then equipped with more knowledge, abilities, and skills. Therefore, transformational leadership is the most suitable style that top managers can apply since this style emphasizes followers’ development, intrinsic motivation and employee’s empowerment. This kind of leader develop their followers’ leadership by mentoring, coaching and also provide both challenge and support. Moreover, this style of leader is also able to communicate a vision or dream for the organisation and they act as a coach and role model to inspire employees to enthusiastically contribute towards achieving the organisational goals.

Apart from training, employees suggested that leaders should be able to understand the differing needs of their followers. Results of the survey indicated that the majority of employees were of the view that it is important for leaders to understand the needs of different employees. This ability strongly connects with the nature of transformational leadership style. According to the literature review, transformational leadership is concerned with emotions, ethics, values and long-term goals, and it also includes assessing follower’s motives and satisfying their different needs (Northouse, 2010). To sum up, employees need their leaders to understand individual needs, be supportive and empower them to work better.
in order to increase their chance to grow in the organisation. Transformational leadership provides approaches to effective leadership because it emphasizes staff development and intrinsic motivation.

5.7.3 Charismatic leadership style

Charismatic leadership is another practical leadership style that meets the need of employees. As explained in Chapter two leaders with charisma have a lot of self-confidence, good communication skill and are able to inspire followers to increase their work performance. These abilities are strongly required by employees since the majority of respondents in the questionnaire point out that leaders should have self-confidence and more than half of the respondents commented that it is important for leaders to have effective communication skills. The respondents explained in the open ended question that leaders who have self-confidence and good communication skills are more likely to motivate them to perform better. They explained that charismatic leaders have strong emotional impact on subordinates because they apply both heart and mind to leading them. These characteristics can motivate people to have more commitment to their work and inspire followers to work harder than they would normally. (Daft & Pirola-Merlo, 2009).

The respondents emphasized that good communication skills are very important. Leaders should be friendly and open for two way communication so that employees can share their ideas and ensure that leaders understand their problems. This way makes employees feel their leaders trust and respect them. Furthermore, statistics in the survey also reveal that many employees need their leaders to communicate clear goals with them in order to help them see a clear direction and understand how they can contribute. Charismatic leaders have an ability to communicate complex ideas in a compelling way and select the appropriate channels of communication to facilitate dialogue to ensure that followers clearly understand their message. Charismatic leaders also inspire subordinates with belief in their goals. Northouse (2010) points out that charismatic leaders often communicate high expectations for employees, and they express confidence in subordinates. This behaviour can increase employees' sense of competence and self-efficacy.
5.7.4 Participative leadership style

Participative leadership is a type of leadership style in which all members of a team take a more participative role in the decision making process (Pride et al., 2009). Results from the survey found that a total of 85.4% of employees preferred their leaders to ask for their opinions and suggestions before making decisions. However, the statistics reveal that there were only 15.5% of employees who always participated in the decision making at their level. This shows that leaders did not share much power and discouraged followers from contributing to the decision making process. This creates an atmosphere in which employees feel powerless and which reduces their confidence, enthusiasm, motivation and commitment to their work. Therefore, leaders should give more opportunity to their followers to share ideas in the decision making process in order to increase employees’ performance and motivation at work. Shelton (2012) postulates that empowerment provides strong motivation to employees since it meets the needs of individuals, especially the need for self-efficacy, which makes people feel they are effective.

The results from the survey also show that only 5.2% of employees said leaders should take most decisions without consulting subordinates, while the majority of employees commented that leaders do not need to take most decisions while ignoring staff. Hence, it can be said that most employees prefer their leaders to share power with followers; this means that the participative leadership style is the most practical leadership style to be considered. Participative leaders allow employees to have more control and a greater sense of responsibility over their work. Employees who work for participative leaders will believe in their abilities and have respect for themselves. They perceive that they have been trusted to make good decisions, so they will develop a feeling of self-esteem (Ricketts & Ricketts, 2010).

Furthermore, according to the survey, the majority of employees also need their superior to be friendly and have the ability to ensure good relationships in their organisation. A study by Wart (2012) suggests that the ability to collaborate is an essential skill for participative leaders, so this kind of leader can create a friendly, co-operative and creative work environment for the whole team. He explains further that the behaviour of participative leaders includes consulting, coordinating personnel, motivating, managing conflict, building and managing a team, developing staff and managing personnel change by involving subordinates in decisions about change.
5.8 Motivation factors

In order to improve performance of employees, it is imperative for leaders to understand the main motivation factors that can motivate employees to work. According to the interviews, most leaders were of the view that money is the most important approach to motivating employees to work at their peak. They explained that staff members need money to provide housing, clothing, food and entertainment for themselves and their families. Therefore, staff will dedicate more time and work harder for the opportunity to increase their income through bonuses and salary raises. However, results from the survey reveal that money is not the only factor that motivates employees to work hard but that there are other significant factors. This links in with the study of Carreira (2005) which notes that money is viewed to be a less effective approach and that it only works in the short term since it is not a motivation but a threat such as deadlines, pressure and directives to force an individual to do something. Statistics from the survey showed that the three highest motivation factors that employees chose were enriching self-esteem, opportunity for growth and fairness in a workplace.

Figure 5.2 The main motivating factors that motivate employees in the Lao banking sector to work.

Source: developed by the researcher for this study
5.8.1 Self-esteem needs

The motivation factor that was chosen by the employees to be the highest was attention to self-esteem needs. Even though this factor is the most significant factor to motivate employees to work, results from the interview indicated that only two leaders recognised the importance of this motivational tool. Hence, it is necessary for leaders to understand ways to develop self-esteem in their employees. According to Maslow’s Hierarchy of Needs, self-esteem is categorized to be the highest need. Phillips and Gully (2012) explain that self-esteem needs include self-esteem through personal achievement, recognition and respect from others. Individuals who are motivated by this need want to see themselves as valuable and worthy. Hence, leaders should try to foster employees’ pride in their work achievement. Singh (2009) suggests that leaders can increase employees’ self-esteem by giving them recognition or acknowledgement for their achievement such as awards and certificates of merit. Leaders should also provide the necessary training for employees in order to increase their ability and performance at work. These approaches enable employees to feel good about themselves and enhances their confidence and their motivation to perform better.

5.8.2 Fairness in a Workplace

Results from the survey indicate that fairness in a workplace is the second highest motivation factor that motivates employees to work. Employees stated in the open ended question that it is imperative for leaders to make every single staff member feel as if they are an equally important part of the organisation and everyone should be provided with the same opportunities for individual growth. However, during the interviews, none of the managers pointed out the importance of fair practice as one of the main factors in motivating their staff to work (see interview question 3a). Statistics from the survey reveal that only a small number of employees, 4.3%, feel happy with their work, while the majority of employees feel neither happy nor unhappy. Employees were critical about unfair practices from their superiors that did appear in the workplace and which make them feel unhappy with their work and disinclined to work on their best. According to the equity theory, employees are motivated to work by the sense of being treated fairly and they will be less productive if they see unfair practice from their superiors. Therefore, management should always assess their employees’ feeling of fairness in an organisation.
5.8.3 Opportunity for growth

Opportunity for growth was regarded to be the third most important factor that can motivate employees to work. The questionnaire survey reveals that one of the main reasons that motivate employees to work in their current organisation is the potential for promotion. It seems that most of the leaders fail to recognise the importance of this motivation need. According to the interview, only two out of eleven managers believed that career advancement opportunity is the most significant factor that motivates their employees to work at peak. Employees shared their opinion in the open ended question that leaders should provide any method of improving employees’ chance for career advancement. Some practical examples are; holding regular group meetings, providing necessary training and assigning important tasks to employees. According to Alderfer’s ERG Theory, individuals who have growth needs prefer to have a sense of self-worth and personal development, thus Growth need is similar to Maslow self-esteem needs and self-actualization combined (Iland, 2013). In order to fulfill growth needs for employees, managers should design training programmes that are favourable to the job development strategy. This training encourages employees to improve their knowledge and to think outside of the box so as to become successful and also to create an atmosphere that is conducive to learning new things (Rutledge, 2008).

5.9 Summary

This chapter addressed the points covered in the research objectives and sub-research questions. Overall, most leaders and employees recognized that leadership from the top management is significant to the success of their organisations and they pointed out several reasons to support their view. In the area of current leadership practice, it was observed that some leaders employ more than one particular leadership style, both task-oriented style and relationship-oriented style, depending on the situation. Most of the leaders apply the same approaches to evaluating their staff’s work performance and they empowered their staff to some extent inasmuch as each employee has some particular level of authority and ability to control work. However, the survey reveals that a number of employees are dissatisfied with their immediate superior’s leadership practices, while leaders also recognized their weaknesses and suggested some areas in which they need to improve.
There are four main leadership styles that employees preferred their superiors to employ in order to improve their work performance and motivation at work. The possible four effective leadership styles are; authentic leadership, transformational leadership, charismatic leadership, and participative leadership. In the area of motivation factors, results from the survey reveal that money is not the only factor that motivates employees to work but there are other significant factors. These are; self-esteem needs, opportunity for growth and fairness in the workplace.

A brief discussion on each leadership style and motivational factors is presented in the final chapter where conclusions are reached and recommendations are also made.
CHAPTER 6
CONCLUSIONS AND RECOMMENDATIONS

6.1 Introduction
This chapter starts with the conclusions drawn from the research presented above. The researcher reviewed the results of each research objective. This is followed by recommendations for leaders in the Lao banking sector to improve their current leadership practices. Next, the chapter outlines some of the limitations of this research project. In addition, this chapter also presents some possible further research opportunities that scholars could pursue in this discipline area.

6.2 Research conclusions
The aim of this study was to identify the practical leadership styles that the banking industry in Laos should apply to improve their employee performance and to increase the motivation of the staff. Since leadership plays an important role in developing an organisation and because it also has a direct impact on performance and motivation of employees, it is worthwhile to know which effective leadership styles can influence and support employees to perform at their best. At present the level of the Lao banking service and financial system is still low compared to international standards. The survey on customer satisfaction revealed that the performance and efficiency of Laos’ commercial banks are still low; there were major complaints by customers regarding the low service of the banks’ staff. According to the literature, the main reason for low staff performance is low motivation of bankers due to their low level of skill in their work. However, the research results revealed that poor leadership by management is also a key reason that affects performance and motivation of staff in the Lao banking sector. In order to identify the practical leadership style that can increase employee performance and motivation in the workplace, it is important to understand the current leadership practices in the Lao banking sector to determine the strengths and weaknesses of the current leadership practices.
The primary data collection of this research project took place in Laos in three commercial banks, namely Phongsavanh Bank, Lao Construction Bank and Lao Development Bank. These banks were used as sites for data collection. The reason for choosing these three banks is because each bank has a different nature of business so that the data collection represents different perspectives of employees. This research applies mixed methods, both qualitative and quantitative approaches, in order to better answer the research questions. The qualitative approach was carried out by conducting interviews with eleven employees who work in the senior levels in order to explore their current practices of leadership. The quantitative approach was employed to conduct questionnaires with all levels of employees in the banks to understand their perspective about leadership in the work place. There were 150 questionnaires provided for distribution in the three banks but only 116 questionnaires were received back which means a 77.3% return. The researcher used all responses for the analysis. In term of data analysis, this research employed coding and categorizing techniques to analyse qualitative data and used SPSS software to analyse quantitative data.

Results from the data analysis revealed that overall, the leadership styles that leaders currently execute in the organisations vary and they apply more than one leadership style depending on the situation. Some leaders apply both the task-oriented style and the relationship-orientated style. It was observed that some leaders are autocratic and goal-orientated because they used one-way communication, telling subordinates what, where and when to do the tasks. On the other hand, sometimes the same leaders used participative and democratic leadership styles where they encouraged, listened, gave emotional support, and involved subordinates in the decision making process. In terms of approach in evaluating staff’s performance, all leaders had more or less the same approach and they emphasised the accuracy of their evaluation process. However, statistics from the questionnaire indicate that there were a very small number of employees who felt satisfied with their work performance; which resulted from the low level of staff empowerment in the organisation. Results of the interviews indicate that only a few leaders empower their staff quite a lot, while the majority of them empower their staff in to a limited extent which means that each employee has a restricted level of authority and ability to control work. Hence, low staff empowerment leads to low self-efficacy and low work motivation of employees.

There are some challenges that prevent top managers from improving their leadership abilities. The most important professional development requirement for leaders is leadership
training. Top managers responded in the interviews that they never had training in leadership, making it difficult for them to understand the techniques and to apply effective leadership strategies with their subordinates. Organisational culture is another challenge for the leaders in developing their leadership. Sometimes top managers cannot execute their desired leadership style because the practices do not fit in with the culture and goals of the organisation. Leaders also faced problems in the area of staff motivation in regard to organisational policy, where the policy did not always support the way in which leaders wanted to motivate their employees. Other staff motivation issues are the differing needs of employees and the ineffective decision making process in the work place.

From the perspective of employees, there are some weaknesses on the current leadership styles and a number of employees felt little satisfaction with their immediate superior’s leadership practices. Of the faulty leadership practices that employees commented on the most important was unfair practices by top managers. These were leaders who did not provide the same opportunities (such as training, work, rewards and salary) to employees at the same level and leaders who did not try to develop better policies that were fair for all employees. Employees also criticized leaders who focused too much on the organisation’s goals placing staff under stress with the deadlines and the unreasonable workload in everyday work. Negative stress causes a decrease in performance at work and creates a negative working environment. Another significant point that concerned employee was the lack of staff empowerment from their leaders. Leaders often made most of the decisions and staff had to follow all instructions that had been given by their leaders. This practice made employees less enthusiastic at work since they had not been involved in the decision making process. Most of the employees desired to have potential opportunities to grow in the organisation, but the leaders rarely talked optimistically about the future of employees.

Results from the survey show that there are four main leadership styles that employees wished their leaders to practise in order to improve their work performance and motivation. The first practical leadership is the authentic style of leadership which mainly relates to the ethical practice of the leaders. A leader who has this leadership style provides fair practice to all employees and has a high sense of moral right and wrong, transparency and honesty. The characteristics of authentic leaders have a positive effect on the employees’ psychological and emotional make-up which consequently produces an optimistic work attitude as well as a good relationship between leaders and followers. The second most desired leadership style is the transformational style of leadership. Results of the survey clearly showed that most
employees expect to have leaders who are able to build up a workforce with a high level of hope and give them an opportunity to grow. This is directly linked to the transformational leadership style. Transformational leadership is effective leadership because it emphasises staff development and intrinsic motivation. Employees who work for transformational leaders are more motivated, more satisfied, and perform better in their daily work.

Charismatic leadership is another practical leadership style that is strongly approved by employees because leaders with charisma have a lot of self-confidence, good communication skill and are able to inspire followers to increase their work performance. Employees need leaders who are friendly and open to two way communication so that employees can share their ideas and ensure that leaders understand their problems. Charismatic leaders have an ability to communicate complex ideas in a compelling way and select the appropriate channels of communication to facilitate dialogue to ensure that followers clearly understand their message. These characteristics can motivate people to have more commitment to work and inspire followers to work more than they would normally do.

The final suitable leadership style that management teams in the Lao banking sector should apply is the participative leadership style. Participative leadership is a style in which all members of a team have a more participative role in the decision making process. According to the survey, employees preferred their leaders to ask for their opinions and suggestions before making decisions. However, very few employees had in fact participated in the decision making at their level. Participative leaders allow employees to have more control and sense of responsibility over their work so employees who work for participative leaders will believe in their abilities and have greater self-respect. Furthermore, according to the survey, the majority of employees also need their superior to be friendly and have the ability to ensure good relationships in an organisation. Collaboration is an essential skill for participative leaders, so this kind of leaders can create a friendly, co-operative and creative work environment for the whole team.

In terms of motivation factors, money is not the only factor that motivates employees to work but there are other significant factors. The three most significant motivation factors that employees chose are self-esteem enhancement, opportunity for growth and fairness in the workplace. The motivation factor that was regarded as most important by the employees was the need for boosting self-esteem. This means that employees want to see themselves as valuable and worthy. However, according to the interview, very few leaders recognise the
important of this motivational tool. The second highest motivation factor that drives employees to work is fairness in the workplace. Employees require their leaders to treat every single staff member equally and to provide the same opportunities for all individuals to grow. Furthermore, employees will be motivated to work if their leaders apply some practices that improve their chance for career advancement. Therefore, opportunity for growth becomes the third highest motivation factor that encourages employee to work.

6.3 Recommendations for leaders in the Lao banking sector

According to the research results, the leadership practices in Lao banks are not good enough to motivate employees to increase their work performances and the leaders need to consider some of their weaknesses. However, there is a strength which is important to discuss. The strength of the current leadership practices in Lao banks is that the leaders apply multiple leadership approaches to lead their followers. This is a good practice because an effective leader should know how to use different degrees of task-oriented and relationship-oriented style in particular situations. From the literature review, Lussier (2011) states that there is no single leadership style which is suitable to be applied in all situations. Therefore, effective leaders need to employ different leadership styles in different circumstance. However, there are some weaknesses of the current leadership practices (which were discussed in Chapter 5) that leaders need to improve. The following recommendations are made:

- Since there is a low level of employment empowerment in the Lao banking sector, leaders should consider creating a work environment where employees are empowered and are making a contribution by providing staff with more authority to share ideas in any decision making processes. This allows employees to have more control and a greater sense of responsibility over their work.

- Leaders should provide all necessary training for employees in order to increase their ability and performance at work.
Leaders should maintain fair practice toward all employees and should have a high sense of moral right and wrong, transparency and honesty. Leaders can improve their ethical practice by increasing positive modeling, self-awareness, and self-regulation.

Leaders should build a workforce with a high level of hope and give employees an opportunity to grow.

Leaders should apply the leadership styles that were illustrated in figure 5.1 (which are also presented in Chapter five) in order to increase the work performance of employees in the Lao banking sector.

**Figure 5.1 Practical leadership styles for leaders in the Lao banking sector**

Source: Developed by the researcher and adapted from David and Stanley (2013)
Leaders should reconsider and develop better policies that are fair to all employees because it is more likely to bring about employees’ job satisfaction which leads to improved employee job performance.

Human Resources Departments should provide leadership training for the top managers in order to improve their leadership knowledge, techniques and procedures. Leaders should also receive extra training in interpersonal relations, leadership, problem solving, conflict handling, and coaching.

Since leaders focus too much on goals, which make employees feel stressed, it is imperative for top management teams to have effective performance management, especially managing stress in the workplace.

Leaders should open two way communications opportunities where employees can share their ideas and ensure that leaders understand their problems. Leaders should also communicate high expectations for employees to increase employees’ sense of competence and self-efficacy.

Leaders should understand that money is not the most important factor that drives employees in the Lao banking sector but the three main factors that motivate employees to work are need for self-esteem, fairness in the work place and opportunities for growth (see figure 5.2 in chapter five).

Attention to the need for self-esteem is the most important factor that motivates employees to work. Leaders can increase employees’ self-esteem by giving them recognition or acknowledgement for their achievements, such as awards and certificates of merit.

6.4 Limitations

All research has its limitations and this applies to this research project as well. This research project applies mixed methods for data collection and analysis and it appears to have some
limitations associated with the research processes. For the qualitative approach, there was a relatively small sample where only eleven participants were selected for this research due to time constraint. The participants were leaders from the three banks, namely Phongsavanh Bank, Lao Construction Bank and Lao Development Bank. Even though the sample size is appropriate for this study, it would be more useful if the researcher could have conducted interviews with more leaders in other commercial banks in order to explore leadership practices in the Lao banking sector in more detail. For the quantitative approach, the questionnaire was conducted with staff in the three selected banks but some questionnaires went missing and many of the participants did not answer the open-ended questions. However, the missing questionnaires have not affected the analysis outcomes since the researcher had sufficient completed questionnaires for the data analysis. Another limitation of this research project is that the data collection was only conducted in Vientiane which is the capital city. Hence, results from the survey might not present the overall perception of banking staff nationwide in Laos.

6.5 Further research opportunities

This research project’s results has provided some answers about the suitable leadership styles that top management in the Lao banking sector should apply in order to improve their staff’s motivation and performance. However, during the process of executing this research project, the researcher discovered some possible areas for further investigation which are listed below.

- Research could be executed with a larger sample from more banks across the county in order to acquire a better understanding of the current leadership practices. It would also allow researchers to get more accurate information from staff about effective leadership practices and motivation factors that increase the performance of bankers.

- Research could be executed in other industries in order to explore the most suitable leadership practices in different areas of business in Laos.

- Research could be executed to evaluate the effect of one specific leadership style to the improvement of staff performance in the Lao banking industry.
Research could be executed on comparisons before and after implementing some particular motivation tools with employees in order to identify the effectiveness of different motivation practices in an organisation in Lao.

Research could be executed in the banking sector of other Asian countries for comparison with the Lao results in order to gain a bigger picture regarding leadership and motivation in banking.

6.6 Closing statement

The first research question aims to explore the extent can leadership and employment motivation be improved in the workplace. The research results revealed that leadership and employment motivation can be improved in a workplace when employees satisfy the leadership practices. The second research question is to explore the main factors that leaders need to consider to motivate employees to work. Findings from the research shows that the three most significant motivation factors that employees prefer are self-esteem enhancement, opportunity for growth and fairness in the workplace. The third research question is to identify the extent are employees satisfied with their current work and their superiors’ leadership prentices. Results of the research reveal that there were a very small number of employees who felt satisfied with their work and current leadership; which resulted from the low level of staff empowerment in the organisation.

There are two hypotheses in this research. The first hypothesis is to answer the first research question which is to assess whether all type of employees recognize the importance of leadership. The outcome of an analysis is it fails to reject the null hypothesis which means that employees at all levels recognize the importance of leadership in an organisation. The second hypothesis is to answer the sixth research question which aim to explore employees’ satisfaction towards their superiors’ leadership. It was found there is no significant difference between males and females toward the satisfaction of their superiors’ leadership. (p81) the result of the analysis is it fails to reject the null hypothesis which means that most employees are unsatisfied with leadership practices in their organization.

Many research studies have been conducted to determine which leadership style is best, but there are no definite conclusions regarding the best leadership style globally. The most suitable leadership seems to occur when the styles of leaders match the work situation and the
nature of businesses in a particular country and business sector. This study attempted to explore the suitable leadership styles that top management in the Lao banking sector should apply in order to increase staff’s performance and motivation at work. This study has shown that leaders in the Lao banking sector applied a variety of leadership styles such as autocratic, goal-oriented, participative, and democratic leadership styles. However, it is evident that some of the current leadership practices did not encourage employees to improve their performance at work, especially when there were issues about unethical practices of leaders, less employment empowerment, and wrong staff motivation tools.

Results from the survey showed that employees want their superiors to apply authentic leadership, transformational leadership, charismatic leadership or participative leadership styles. Moreover, the survey also revealed that money is not the most important factor that motivates employees to work. Significant motivational factors that drive employees to work are self-esteem needs, fairness in the workplace and opportunities for growth.

Finally, the researcher hopes that this study will provide some ideas and opportunities for leaders in the Lao banking sector to improve their current leadership practices to effectively increase staff performance and motivation in future.
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APPENDIX 1: Questionnaires

(Please tick the appropriate box for each question)

General questions (Demographic)

1. Please indicate your gender
   - Male
   - Female

2. To which age group do you belong?
   - Below 18 years
   - 19 - 23 years
   - 24 - 29 years
   - 30 - 39 years
   - 40 - 49 years
   - 50 and above

3. Indicate your working experience (including the time in your previous jobs)
   - Less than 1 year
   - 2 – 5 years
   - 6 – 10 years
   - 11- 15 years
   - More than 16 years

4. What is your highest level of education
   - TAFE (Technical and Future Education)
   - Bachelor’s degree
   - Master’s degree
   - Doctoral degree
   - Others (please specify)……………………………………………………………………
Work performance

5. How satisfied are you with your current work performance?
1. ☐ Not at all satisfied
2. ☐ Not satisfied
3. ☐ Neutral
4. ☐ Quite satisfied
5. ☐ Very satisfied

6. How often do your superiors provide feedback to you about your work performance?
1. ☐ every day
2. ☐ every week
3. ☐ every month
4. ☐ once a year
5. ☐ Other (please specify) ………………………………………………………

7. Have your superiors ever asked you for reports about the progress of your work?
1. ☐ Yes
2. ☐ No

Leadership

8. To what extent do you think leadership is important in your organisation
1. ☐ Not important
2. ☐ Neutral
3. ☐ Quite important
4. ☐ Very important

9. To what extent are you satisfied with your immediate superiors’ leadership?
1. ☐ Not at all
2. ☐ To a limited extent
3. ☐ To a moderate extent
4. ☐ To a considerable extent
5. ☐ To a very great extent
10. From your experience working in your present organisation, please rate how your superior executes leadership.

<table>
<thead>
<tr>
<th></th>
<th>1- Not at all</th>
<th>2- Rarely</th>
<th>3- Sometimes</th>
<th>4- Often</th>
<th>5- Always</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Makes a decision and provides instruction on how to do the job</td>
<td></td>
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<tr>
<td>2. Asks for suggestions from team members before making a decision</td>
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<tr>
<td>3. Urges employees to complete their work by the time he or she has specified</td>
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<tr>
<td>4. Supports employees to develop skills</td>
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<tr>
<td>5. Encourages employees to build good relationship with co-workers</td>
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<td></td>
</tr>
<tr>
<td>6. Other (please specify)</td>
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<td></td>
</tr>
</tbody>
</table>

11. To what extent have you been involved in decision making at your level in your organisation?

1. □ Never
2. □ Rarely
3. □ Sometimes
4. □ Always
12. In your opinion, to what extent do you think the following factors are important for the leaders to practise in order to improve your motivation and performance at work?

<table>
<thead>
<tr>
<th>1. Provide necessary training and advice for employee’s development</th>
<th>1- The least important</th>
<th>2- Unimportant</th>
<th>3- Neither important nor unimportant</th>
<th>4- Important</th>
<th>5- The most important</th>
</tr>
</thead>
<tbody>
<tr>
<td>2. Ask for subordinates’ opinions and suggestions before making decisions</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Communicate clear goals with employees</td>
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<tr>
<td>4. Talk optimistically about the future</td>
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<tr>
<td>5. Be concerned about your future benefits (such as promotion and pay rise)</td>
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<tr>
<td>6. Try to understand the needs of different employees</td>
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<tr>
<td>7. Ensure a good working environment.</td>
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</tr>
<tr>
<td>8. Ensure good relationships among the employee</td>
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</tr>
</tbody>
</table>
13. To what extent do you think your superiors should have these following characteristics

<table>
<thead>
<tr>
<th></th>
<th>1- The least important</th>
<th>2- Unimportant</th>
<th>3- Neither important nor unimportant</th>
<th>4- Important</th>
<th>5- The most important</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Friendly (have a good relationship with employees)</td>
<td>□</td>
<td>□</td>
<td>□</td>
<td>□</td>
<td>□</td>
</tr>
<tr>
<td>2. Have self-confidence</td>
<td>□</td>
<td>□</td>
<td>□</td>
<td>□</td>
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<tr>
<td>3. Have an effective communication skill</td>
<td>□</td>
<td>□</td>
<td>□</td>
<td>□</td>
<td>□</td>
</tr>
<tr>
<td>4. Be able to build a workforce with high levels of hope, optimism and self-efficiency</td>
<td>□</td>
<td>□</td>
<td>□</td>
<td>□</td>
<td>□</td>
</tr>
<tr>
<td>5. Act ethically</td>
<td>□</td>
<td>□</td>
<td>□</td>
<td>□</td>
<td>□</td>
</tr>
<tr>
<td>6. Able to make most decisions without consulting subordinates</td>
<td>□</td>
<td>□</td>
<td>□</td>
<td>□</td>
<td>□</td>
</tr>
</tbody>
</table>
14. Indicate the extent to which your superiors have carried out the following practices with you

<table>
<thead>
<tr>
<th></th>
<th>1- Never</th>
<th>2- Rarely</th>
<th>3- Sometimes</th>
<th>4- Often</th>
<th>5- Always</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Encourage you to take control of your own work</td>
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<tr>
<td>2. Allowed you to set your own goals</td>
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<tr>
<td>3. Ask for your ideas and suggestions before making decisions</td>
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<tr>
<td>4. Use your recommendation to improve work processes</td>
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</tbody>
</table>

Motivation

15. Do you think it is important for the leaders to understand the different needs of employees?

1. ☐ Yes
2. ☐ No
3. ☐ Don’t know
16. Please choose the most important factors that motivated you to work here

- Satisfactory remuneration
- Interesting work
- Potential for promotion
- Good working environment
- Others (please specify)

17. Please rate how much these following factors are important for your motivation at work

<table>
<thead>
<tr>
<th></th>
<th>1- Not at all</th>
<th>2- A little</th>
<th>3- Average</th>
<th>4- Highly</th>
<th>5- Very High</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. <strong>Earning enough money to support yourself and family</strong></td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>2. <strong>Job security</strong></td>
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<tr>
<td>3. <strong>Self-esteem needs (such as self and other-respect)</strong></td>
<td></td>
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<tr>
<td>4. <strong>Interesting and challenging work</strong></td>
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<tr>
<td>5. <strong>Opportunity for growth</strong></td>
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<tr>
<td>6. <strong>Fairness in the workplace</strong></td>
<td></td>
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<tr>
<td>7. <strong>A friendly relationship</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8. <strong>Others (please specify)</strong></td>
<td></td>
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<td></td>
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</tr>
</tbody>
</table>
18. In general, to what extent are you happy with your work?

1. ☐ Not at all happy
2. ☐ Indifferent
3. ☐ Quite happy
4. ☐ Very happy

If you select number 1 for this question please indicate why not? ……………………………………………………………………………………………………………………………

Open ended question

19. From your experiences, what is your biggest concern regarding the leadership style of your superiors?

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........................................................................................................................................................................................................................................................................
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20. In your opinion, what should your superiors do to increase your motivation at work?

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........................................................................................................................................................................................................................................................................
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........

(Thank you very much for the time devoted to answering the questionnaire. Your contribution to this survey is greatly appreciated.)
APPENDIX 2: Interview Questions

1. Do you think leadership from top management is important in the success of the organisation? Why?

2. Please tell me briefly about your leadership style in the organisation?

   2.1 What do you think are the most significant practices that leaders should execute to improve employees’ work performance?

   2.2 To what extent do you empower your staff to perform better?

3. How do you motivate your staff to work?

   3.1 From your point of view, what are the main factors to motivate your staff to work?

   3.2 What challenges have your suffered regarding staff motivation?

4. What approaches do you use to evaluate your staff’s performance?

5. In what areas do you want to improve your own leadership?

   5.1 Is there any limitation to improving your own leadership? Why?
APPENDIX 3: Information for participants

Research Project Title: “Suitable leadership styles increase workplace motivation in the Lao banking industry”

My name is Suksavanh Vongphanakhone, and I am a Post-graduate student at Unitec Institute of Technology, New Zealand, studying for a Master of Business qualification. To fulfil the programme’s requirements, I will do a research project on leadership approach that would increase workplace motivation in the banking industry in Lao P.D.R. In my thesis, I will focus on leadership and human resource management in organisations in order to identify effective techniques and motivational approaches to increase employees’ motivation and to improve staff performance in the workplace.

What we are doing

The aim of this research is to identify the practical leadership style that the banking industry in Laos should apply to improve their employees’ performance and to increase motivation of the staff at work. By taking part in this research project you will help me to understand more about which leadership style can increase employee motivation in the workplace and what the current leadership styles in the existing banking sector are. Furthermore, this study will explore the main factors that motivate employees to work. This research would particularly like to obtain responses from staff members representing all ages, genders and cultures in the bank.

What it will mean for you

I would like to invite you to answer questions in the questionnaire. This is a voluntary process and you are under no obligation to do this or participate in the research project if you do not wish to do so.

All responses will be anonymous and your answers/comments will not be personally identified or reported back to your organisation. Thank you for participation in completing this survey which will take no longer than 15 minutes.

Any information that may identify you will be kept completely confidential. All information collected from you will be stored on a password protected file and only the researcher and supervisors will have access to this information.

Please contact us if you need more information about the research project. At any time if you have any concerns about the research project you can contact our supervisor:

My supervisor is Professor Pieter S Nel, phone +64 9 815 4321 ext. 7026 or email pnel@unitec.ac.nz

UREC REGISTRATION NUMBER: (2013-1050)

This study has been approved by the UNITEC Research Ethics Committee from (date) to (date). If you have any complaints or reservations about the ethical conduct of this research, you may contact the Committee through the UREC Secretary (ph: 09 815-4321 ext 6162. Any issues you raise will be treated in confidence and investigated fully, and you will be informed of the outcome.
APPENDIX 4: Participant Consent Form

Research Project Title:

“Suitable leadership styles increase workplace motivation in the Lao banking industry”

I have had the research project explained to me and I have read and understand the information sheet given to me.

I understand that I don't have to be part of this if I don't want to and I may withdraw at any time prior to the completion of the research project.

I understand that everything I say is confidential and none of the information I give will identify me and that the only persons who will know what I have said will be the researchers and their supervisor. I also understand that all the information that I give will be stored securely on a computer at Unitec for a period of 5 years.

I understand that my discussion with the researcher will be taped and transcribed.

I understand that I can see the finished research document.

I have had time to consider everything and I give my consent to be a part of this project.

Participant Signature: .............................. Date: ..............................

Project Researcher: Suksavanh Vongphanakhone Date: ..............................

UREC REGISTRATION NUMBER: (insert number here)

This study has been approved by the UNITEC Research Ethics Committee from (date) to (date). If you have any complaints or reservations about the ethical conduct of this research, you may contact the Committee through the UREC Secretary (ph: 09 815-4321 ext 6162). Any issues you raise will be treated in confidence and investigated fully, and you will be informed of the outcome.
APPENDIX 5: Ethic Application Approval Letter

Suksavanh Vongphanakhone  
1/89 Carrington road  
Mt Albert  
Auckland 1025

22.8.13

Dear Suksavanh,

Your file number for this application: 2013-1050  
Title: Suitable leadership styles increase workplace motivation in the Lao banking industry.

Your application for ethics approval has been reviewed by the Unitec Research Ethics Committee (UREC) and has been approved for the following period:

Start date: 26.7.13  
Finish date: 26.7.14

Please note that:

1. The above dates must be referred to on the information AND consent forms given to all participants.

2. You must inform UREC, in advance, of any ethically-relevant deviation in the project. This may require additional approval.

3. Organisational consent/s must be cited and approved by your primary reader prior to any organisations or corporations participating in your research. You may only conduct research with organisations for which you have consent.

You may now commence your research according to the protocols approved by UREC. We wish you every success with your project.

Yours sincerely,

[Signature]

Gillian Whalley  
Deputy Chair, UREC

cc: Pieter Nel
24 June 2013

Sukkavanh Vangphanekhone
1/89 Carlington Rd
Mt Albert
Auckland 1025

Dear Sukkavanh

Thank you for submitting your research proposal “Suitable Leadership Styles that would increase Workplace Motivation in the Lao Banking Industry”.

The proposals committee of the Department of Management and Marketing is able to confirm that the changes have been made and the proposal has now been approved.

Your principal supervisor is Pieter Nel and your associate supervisor is Andries du Plessis.

Please be aware that ethical approval may be required for your research once you have finalised your proposal. To determine the need for ethics application and approval, we recommend that you read the Guidelines for Ethical Approval in the Research folder on the Moodle site Postgraduate Students Resources, to identify any ethical issues that may arise. Discussion with your supervisor or the ethics committee (email: ethics@unitec.ac.nz) may also assist in this decision process. This will help determine the need, or otherwise, for a full application for ethical approval. Ethics applications and accompanying documents should be submitted as email attachments to the above address.

Please contact us if you have any questions, or if we can assist you in your research. My extension number is 7026 and my email address is pnel@unitec.ac.nz.

We wish you every success in completing your research project.

Yours sincerely

Prof Pieter Nel

Chair, DoMM Research Proposal Committee
cc:

Principal Supervisor: Pieter Nel
Associate Supervisor: Andries du Plessis
Head of Department: Sukash Sukumaran
Programme Leader: Jeff Marriott
Programme Administrator: Genia Spencer
Postgraduate Academic Administrator: Cynthia Almeida
Research Officer: Kate Bridges (full approval letter only)
APPENDIX 7: Lao Construction Bank Consent Letter

Lao People’s Democratic Republic
Peace Independence Democracy Unity Prosperity

No: 073/LCB.2013
Vientiane Capital: 02/11/2013

Organization Content

I am Alounsa DUANGPASEUTH, My position is Chief of Human Resource Division at Lao Construction Bank Limited has given consent of Ms.Suksavanh YONGPHANAKHONE to undertake research in this organization as discussed with the researcher.

The consent is subject to approval of research ethics application No: ........................................ by the Unitec Research Ethics Committee and a copy of the approval letter being forwarded to the organization as soon as possible.

Signature

[Signature]

LAO CONSTRUCTION BANK LTD
HEAD OFFICE

[Stamp]

Alounsa DUANGPASEUTH

Date: 02/11/2013
APPENDIX 8: Lao Development Bank Consent Letter

Lao People Democratic Republic
Peace Independence Democracy Unity Prosperity

Lao Development Bank
Head Office

No. 886/LDB
Vientiane, dated 02 JUL 2013

Organisational Consent

I, Mr. Sengpheth MANIVONG, Deputy Managing Director of Lao Development Bank (LDB) agreed to give consent for Ms. Suksavanh VONGPHRANAKHONE to undertake research in this organisation as discussed with the researcher.

The consent is subject to approval of research ethics application no __________ by the Unitec Research Ethics Committee and a copy of the approval letter being forwarded to the organisation as soon as possible.

Regards,

Sengpheth MANIVONG
Deputy Managing Director
Lao Development Bank
Organisational Consent

I, Mrs Sengdao Bouphakonekham, Managing Director of Phongsavanh Bank Limited give consent for Ms. Suksavanh Vongphanakhone to undertake research in this organisation as discussed with the researcher.

The consent is subject to approval of research ethics application no. ____________ by the Unitec Research Ethics Committee and a copy of the approval letter being forwarded to the organisation as soon as possible.

Signature:

Sengdao PHOUPHAKONEKHAM
Managing Director