

# Analysis Of Transformational Leadership Style On Performance Of Equity Bank Kenya Ltd

Happiness Kwamboka Oenga \*, Evans Nyamboga Mandere, PhD\*\*

\* Scholar, School of Business and Economics, Mount Kenya University

\*\* Scholar, School of Business and Economics, Mount Kenya University

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**Abstract-** This study's purpose was to analyze transformational leadership style and its influence on performance of Equity Bank Kenya Ltd. The Background to this study includes definitions of leadership Style and performance, the role of leadership in an organization, the nature of institution leadership in different parts of the world and financial institutions in Kenya. This research aimed at answering this research question; to what degree transformational leadership style has influenced the performance of Equity Bank Ltd. The adopted research design was a descriptive study design. This study's target population was 682 workers based in Equity Bank Head Office at Equity Centre in Upperhill Nairobi, Kenya. The study of Equity Bank was justified by the fact that Equity Bank is the second largest bank by customer base with over 10 million customers according to Equity Bank records (2017) and Equity Bank being Kenya's best bank according to Euromoney Awards (2016). The sample design method employed for the study was Stratified Random Sampling. The sample size included 136 workers, which made 20% of the target population of 682 employees. The study grouped the population into three that is; top, middle, and lower management. From each stratum the study used simple random face to face interview session with respondents. A was self-administered questionnaire was primarily used for collecting data used in this research. Descriptive analysis method was used to analyze the collected quantitative. This study interrogated Transformational leadership style and evaluated its effect on performance of Equity Bank Kenya Ltd. Transformational leadership style had a good and positive effect equity bank ltd.'s performance which led to improved performance of the studied organization. This leadership style also had a statistically significant relationship with the bank's performance. The findings might benefit Equity Bank Ltd management, other commercial banks, and other researchers.

**Index Terms-** Leadership styles, Performance, Transformational Leadership Style

## I. BACKGROUND TO THE STUDY

Leadership style is defined as the distinctive activities when leaders direct, motivate, guide, and manage their followers (Khajeh, 2018). According to Goleman (2014), leadership style is

a behavioral design used by a leader to incorporate organizational and personal benefits in the quest for some goal or objective. The category of leadership style in use is influenced with the implementation of strategies. Goleman (2014), has discussed six leadership styles in his article entitled "Leadership that Gets Results". The researcher discusses Transformational leadership style.

Organization performance is an important component of management research. Organizational performance is made up of the following types of firm results namely: performance in finance, performance of product market and shareholder return. Performance measurement should be by use of established objectives. Measuring of how organizations perform is be evidenced by level of achievement of the envisioned result as well as he job-holder's production of the required outcomes (Armstrong, 2012). This will form a basis for compilation of responses to be used by managers as well as individuals to monitor their performance. Balance scorecard allows for fetching sounder outcomes for both financial and operational quantities giving the management a quick nonetheless thorough assessment of the firm (Kaplan, 2014).

## Equity Bank Ltd

Equity Bank was founded as Equity Building Society (EBS) in October 1984 and originally offered mortgage financing primarily for low-end customers. The institution's trademark of an ordinary building roofed brown is a reflection of its target market and their willpower to better their lives by taking one step at a time, in search for safekeeping and progression of their visions. Equity was declared technically insolvent in 1993, but its rapid growth into a microfinance and then a commercial bank is broadly viewed as an inspiring achievement. Presently, Equity Bank's customers exceed 10 million. The vision of Equity Bank Ltd is championing the social and economic opulence of African people (Equity Bank Ltd Annual Reports, 2016).

Customers of Equity Bank are passionately enabled to improve their lives as well as livelihoods. By means of a business structure that involves convenience, access, and flexibility, Equity bank has progressed into a wide-ranging dealer in finance services and is spreading in other African countries. The structure of business and creativity in leadership of Equity Bank has

continuously been rewarded with accolades globally, regionally and even locally. Equity Bank is guided by various corporate philosophies. Equity Bank's core values are abbreviated PICTURE. P stands for Professionalism, I for Integrity, C for Creativity and Innovation, T for Teamwork, U for purposeful Unity, R for customers' Respect and E for Effectiveness in Corporate Governance. Equity Bank purposes to be in existence while transforming lifestyles and occupations of people socio-economically through provision of contemporary, comprehensive, services of finance which optimize prospects. Equity Bank undertakes to offer all-round customer-centric banking services that empower clients and other interested parties socially and economically. Equity Bank's positioning statement is providing all-encompassing services of finance that improve sources of revenue, dignity as well as increase prospects. The Motto of Equity Bank is growing together in trust and it is tagged on listening, caring and remaining a partner (Equity Bank Ltd Annual Reports, 2017).

### 1.2 Statement of the Problem

According to Equity Bank's financial results (2016), the net profit of Equity bank dropped by 5.9% to KES 15.2 Billion from 16.2 Billion in 2015. Contrastingly, their operating income rose by 12.5% from year 2015 to KES 50.3 Billion. The increased operating income was as a result of tremendous 87% rise in the interest revenue from government securities to KES 6.7 Billion. This outlines an inclination among Kenyan banks to prefer massive investment in risk-free assets like government securities instead of giving loans to SMEs. This describes the 5% decrease in lending to clients to KES 213 Billion in the year 2016. Charges and percentage earnings from lending also experienced a 19% decrease to KES 3.8 Billion. The sum of running costs rose by 23% to KES 27.5 Billion, this was mostly as a result of fourfold increase of the loan loss provision from KES 1.2 Billion in 2015 to KES 5 Billion a representation of 293% rise. This shows the challenging working conditions which a majority of Kenyan enterprises are experiencing, which was majorly caused by advancing to the corporate segment in which NPLs increased from zero in the year 2015 to 6%.

Equity Bank also faces intense competition from other banks. This is evidenced by the fact that most customers are multi-banked. Managers are required to scrutinize an organization's core procedures so as to accomplish and maintain competitive advantage, in order to allow for efficiency and cost effectiveness (Parasuraman, 2005). Banks should identify their core competences to enable them focus on sectors that keep them in front of the competition and avail competitive advantage (Pearce & Robinson, 2010).

### 1.3 Objective of the Study

To evaluate impact of Transformational style of leadership on the performance of Equity Bank Ltd.

### 1.4 Research Questions

To what extent does Transformational leadership style influence Equity Bank's performance?

## II. THEORETICAL REVIEW

The theoretical review is meant to theoretically create foundation that is important to the research topic under study. Theories relevant to the study topic are discussed here.

### 2.1 Transformational Leadership theory

Bass introduced the Transformational leadership theory towards the conclusion of his professional career (Miner, 2003). The theory describes self-actualization concepts and Maslow's hierarchy of needs (Miner, 2003). The description of Transformational leadership is that of a leadership method which triggers transformation in people and systems of society. Transformational leadership is idealised to create followers who undergo change that is valuable and positive with the aim of evolving them into leaders. This form of leadership improves how followers are motivated, given morale and their performance by using various methods, in its realistic state. These include inspiring followers by being their role model; relating the sense identity and self of the supporters of the company's mission and sense of uniqueness; inspiring followers to be more devoted while carrying out tasks, as well as considering strong points and weak points of followers, in order for them to be tasked according to their optimum performance (Kark & Shamir, 2017).

### 2.2 Empirical Review

#### 2.2.1 Transformational Leadership and Performance of Equity Bank Kenya Ltd

##### Transformational Leadership Style

According to Northouse (2013), effectiveness in management has been acknowledged to determine advancement and achievement in the setting of an organization varying from for profit organizations, to sports and religion as well as armed forces units. Such acknowledgement has given rise to increased awareness in developing leadership, as organizations invest more resources for developing leadership and planning succession. In most environs, transformational leadership methods have converted the main methodologies into appreciating effective leadership and specified transformational leadership methods are incorporated in leadership development programs from corporations that are operational in various trades including retail, online and finance.

There is sufficient proof showing that transformational leadership methods lead to significant consequences at the individual level, for instance, employee dedication, inspiration and duty performance and results at the organization level, for instance, firm performance. The Multifactor Leadership Theory (MLT) describes, proof implies that transformational leadership behaviours supplement transactional leadership behaviours, such as exploiting dependent incentives. Transactional leadership behaviours and transformational leadership behaviours remain vital to successfully perform as a manager and that transformational leadership increases the worth of more outdated transactional leadership behaviours. Leadership researchers have started recognizing that features of the organization's setting, influence how the leader behaves for ultimate effectiveness (Gomes, 2016). Whereas traditional leaders had to promote firmness and uniformity, transformational leadership comprises of being flexible and adaptable. Whereas conventional leaders

exemplify permanency, transformational leaders exemplify variation (Piotrowski, 2015).

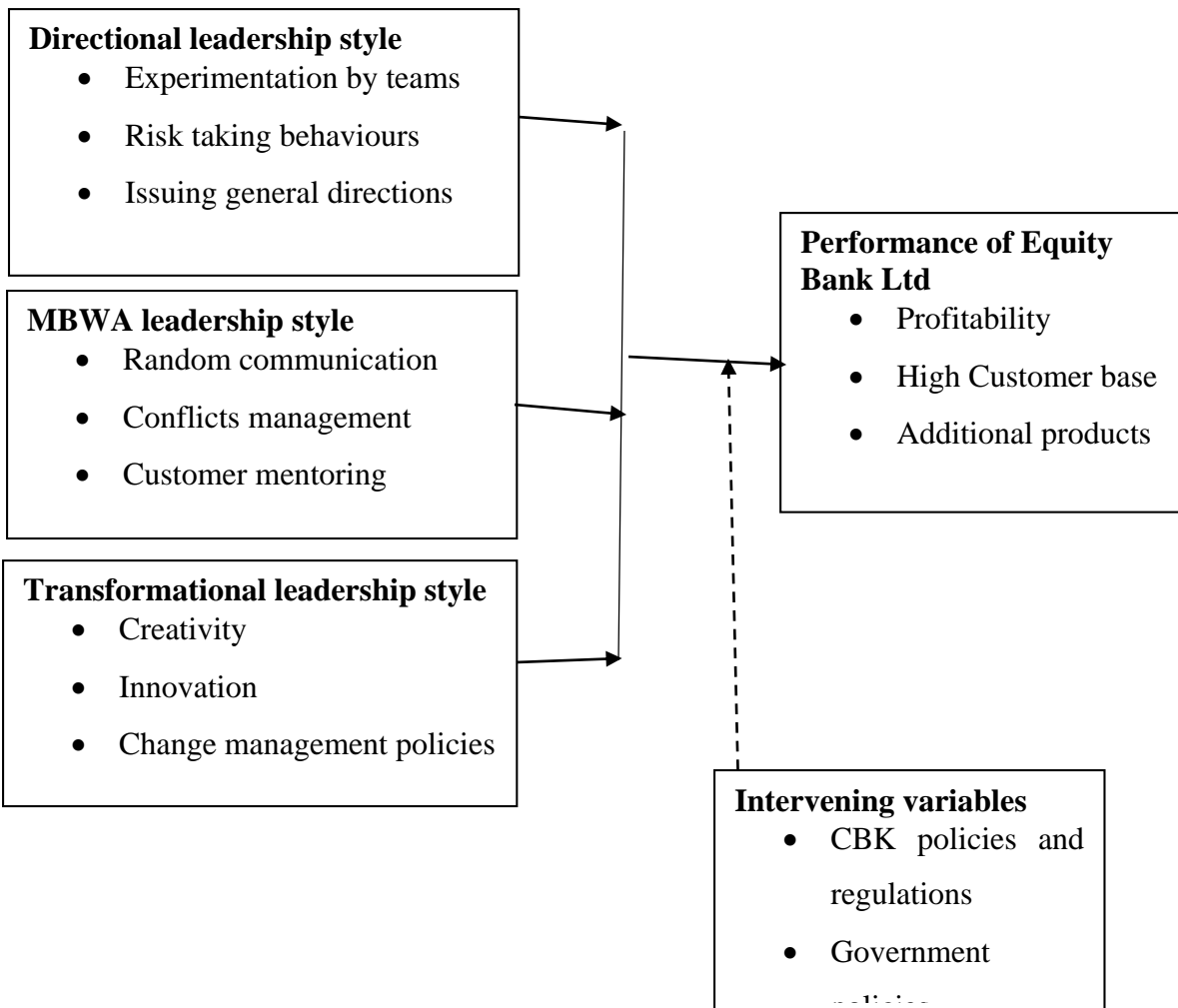
Piotrowski (2015), added that companies incline the attentiveness of their leaders internally: two workmates are in a disagreement that requires resolution; the last board judgement is fixed in bureaucracy and requires liberation, for instance, a new IT system requires to be procured. Although each one of these is a vital management task, the future of the organisation will be determined in the outside world. The transformational leader recognizes the necessity of change in the organization. To generate a particular model, develop individuals to grasp the model, invent **Independent variable**

a culture of the organization which backs the changes and watch for indicators, notifying when new changes are needed (Savareikiene 2013). Transformational leaders will establish their corporation to be acquainted with future requirements and not the historical ones.

### 2.2.2 Conceptual Framework

The framework described the correlation that exists among the variables the study is considering. The framework answers the question how does the researcher expect a relationship between all variables (dependent and independent) to exist.

**Dependent variable**



## III. RESEARCH METHODOLOGY AND DESIGN

This part characterizes the examination strategy utilized in this investigation and furthermore talks about the exploration plan as for the structure picked. The target population of study, sample and sampling techniques and information gathering approaches utilized in the study are likewise talked about.

### 3.1 Research Methodology

In this study, the researcher used mixed methodology as both quantitative and qualitative data was used.

### 3.2 Research Design

Research design is a description of the way data is collected and the instruments of data collection to be used. It also describes how the data collection instruments will be in collecting the data and eventually explains the methods of data collection and analyses. The research was held across departments at Equity Bank's head office, Equity Centre. The logistics were not an issue of concern most data was collected using an electronic questionnaire.

The researcher used descriptive design. This was on the grounds that descriptive research is used to get data in regards to the current status of a phenomenon and to portray "what exists" regarding elements or conditions in a circumstance. It gave answers to the questions of who, what, when, where, and how certain marvel was related with a specific research issue however couldn't decisively find out responses to why. Data on both the independent and dependent variables were obtained using questionnaire.

**3.3 Target Population**

The target population used in this study was 150 managers and 532 employees of Equity Bank's Nairobi headquarters.

**Table 1: Target Population**

Category/Level	Population Frequency	Percentage (%)
Corporate Managers	48	7
Business Managers	102	15
Functional level	532	78
Total	682	100

Source: Equity bank records, 2019

**3.4 Sampling Procedures and Techniques**

Sampling is a method of selecting a number of subjects for a study, ensuring they are a representation of at least 30% of the whole target population (Mugenda & Mugenda, 2003). Considering the given meaning, as well as the intents of this research, a 20% segment was chosen from the target population of 682 workers to give a sum of 136 participants. Stratified Random Sampling design was used for this study.

**3.5 Sample Population**

**Table 2: Sample Distribution**

Category of Staff	Sampling Frame	Size of Sample	Total population in Percentage (%)
Corporate Managers	20% × 48	9	7
Business Managers	20% × 102	20	15
Functional Level	20% × 532	107	78
TOTAL		136	100

Source: Equity Bank, 2019

**3.6 Proposed Data Analysis Techniques and Procedures**

Descriptive (frequencies and percentages) and inferential (linear regression) analysis was used to find how variables studied were related. Statistical Package for Social Sciences v.23 was used for data analysis. The regression equation used was as follows:

$$Y = \beta_0 + \beta_1 X_1 + \epsilon$$

Whereby:

Y = Performance of Financial Institutions

ε = Error term

β0 = Constant

β1- β3 = Beta coefficients

X1 = Transformational leadership style

IV. 4.1 TRANSFORMATIONAL LEADERSHIP STYLE AND PERFORMANCE OF EQUITY BANK KENYA LTD

The impact of transformational style of leadership on the performance of Equity Bank Ltd and outcomes presented in tables using descriptive and inferential statistics.

**Table 3: Responses on the Impact of Transformational Style of Leadership on the Performance of Equity Bank Ltd**

	SA		A		N		D		SD	
	f	%	F	%	f	%	F	%	F	%
Your leaders encourage employee commitment	70	58.3	35	29.2	0	0.0	15	12.5	0	0.0
Your leaders motivate Employees	55	45.8	41	34.2	0	0.0	24	20.0	0	0.0
Your leaders are inspirational	44	36.7	38	31.7	12	10.0	11	9.2	15	12.5
Your leaders entertain new ideas	31	25.8	29	24.2	10	8.3	32	26.7	18	15.0
Your leaders encourage adaptability to changing markets	65	54.2	35	29.2	7	5.8	0	0.0	13	10.8
Your leaders participate actively in growing the organization	11	9.2	59	49.2	32	26.7	18	15.0	0	0.0
Your leaders share a collective organizational consciousness	49	40.8	71	59.2	0	0.0	0	0.0	0	0.0
Your leaders make the difficult decisions	120	100.0	0	0.0	0	0.0	0	0.0	0	0.0
Your leaders are able to take the right risks	99	82.5	21	17.5	0	0.0	0	0.0	0	0.0
Your leaders encourage self-management	90	75.0	7	5.8	12	10.0	11	9.2	0	0.0

Based on responses gathered from employees and presented in Table 3, 58.3% strongly agreed that their leaders

encouraged employee commitment, 45.8% strongly agreed that their leaders motivated employees, 36.7% strongly agreed that

their leaders were inspirational, 54.2% strongly agreed that their leaders entertained new ideas, 49.2% strongly agreed that their leaders participated actively in growing the organization, 59.2% agreed that their leaders shared a collective organizational consciousness, 100% strongly agreed that their leaders made the difficult decisions, 82.5% strongly agreed that their leaders were able to take the right risks while 75% strongly agreed that their

leaders encouraged self-management. As the results implied, transformational leadership styles adopted by the management of Equity Bank Ltd had positive impacts on performance of the bank in Kenya. Hence this leadership style was found to be very appropriate for enhancing the banks' performance.

**Table 4: Model Summary of the relationship between Transformational Style of Leadership and the Performance of Equity Bank Ltd**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.951 <sup>a</sup>	.905	.904	.377

a. Predictors: (Constant), Transformational leadership style

Regression model summary results revealed that, by holding other factors constant at zero, transformational leadership style does have some impacts on equity banks performance. This because the R<sup>2</sup> value of R<sup>2</sup>=0.905 indicated that transformational

leadership style impacted equity banks performance by 90.5%. Hence, all other factors not tested combined only have a 9.5% impact on the banks' performance in Kenya.

**Table 5: ANOVA of the relationship between Transformational Style of Leadership and the Performance of Equity Bank Ltd**

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	160.220	1	160.220	1127.251	.000 <sup>b</sup>
	Residual	16.772	118	.142		
	Total	176.992	119			

a. Dependent Variable: Performance of Equity Bank Ltd.

b. Predictors: (Constant), Transformational leadership style

ANOVA outcome presented in Table 5 showed that the studied independent variable of transformational leadership style is significantly related to the dependent variable investigated which is Equity Bank Ltd.'s performance as the p-value of

p=0.000 is lower than p=0.05. This proved that the model used to test the relationship between the investigated variables was a good fit for conducting this test.

**Table 6: Regression Coefficients of the relationship between Transformational Style of Leadership and the Performance of Equity Bank Ltd**

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	-.125	.065		-1.909	.059
	Transformational leadership style	1.013	.030	.951	33.575	.000

a. Dependent Variable: Performance of equity bank

The regression coefficient outcomes presented in Table 4.13 revealed that there was a statistically significant relationship between transformational leadership styles and Equity Bank Ltd.'s performance. This is due to the fact that the established p-value of p=0.000 was found to be lower than p=0.05. Therefore, the studied variables were found by the study to be statistically related. Lastly, the Beta value also showed that a unit change in transformational leadership style adopted by managers would result in 0.951 unity change in the performance of Equity Bank Ltd.

leadership style positively affected the performance of equity bank ltd. According to the results, the banks' leaders encouraged employee commitment, motivated employees, were inspirational, entertained new ideas, participated actively in growing the organization, shared a collective organizational consciousness, made the difficult decisions, were able to take the right risks and encouraged self-management all of which enhanced the performance of the organization. Further, whenever transformational leadership was employed, the banks' performance was impacted by 90.5% indicating that there was a statistically significant relationship between transformational leadership styles and Equity Bank Ltd.'s performance.

V. SUMMARY OF THE RESULT FINDINGS

The goal of the study was to investigate the impact of transformational style of leadership on the performance of Equity Bank Ltd. The study generally found that transformational

5.1 Conclusions



It is in conclusion that transformational leadership style had a good and positive effect equity bank Ltd.'s performance which led to improved performance of the studied organization. This leadership style therefore had a statistically significant relationship with the bank's performance.

## 5.2 Recommendations

Guided by the study outcomes, the following recommendations are put forth by the researcher for policy purposes:

- That the bank should encourage its managers to employ transformational leadership styles as these styles have been proven to improve the banks overall performances.
- That this organization find ways of ensuring that transformational leadership style continuously results in desirable banks performance by sealing any loopholes that may hinder the complete and efficient utilization of these styles by managers.

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## AUTHORS

**First Author** – Happiness Kwamboka Oenga, Email Address: happinesskwamboka1988@gmail.com, Scholar, School of Business and Economics, Mount Kenya University  
**Second Author** – Evans Nyamboga Mandere, PhD, Email Address: [enyamboga@mku.ac.ke](mailto:enyamboga@mku.ac.ke), Scholar, School of Business and Economics, Mount Kenya University

## Equity Bank Ltd

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## 2.0 Theoretical Review

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### **2.2.2 Conceptual Framework**

The framework described the correlation that exists among the variables the study is considering. The framework answers the question how does the researcher expect a relationship between all variables (dependent and independent) to exist.

#### **Independent variable**

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#### **Dependent variable**

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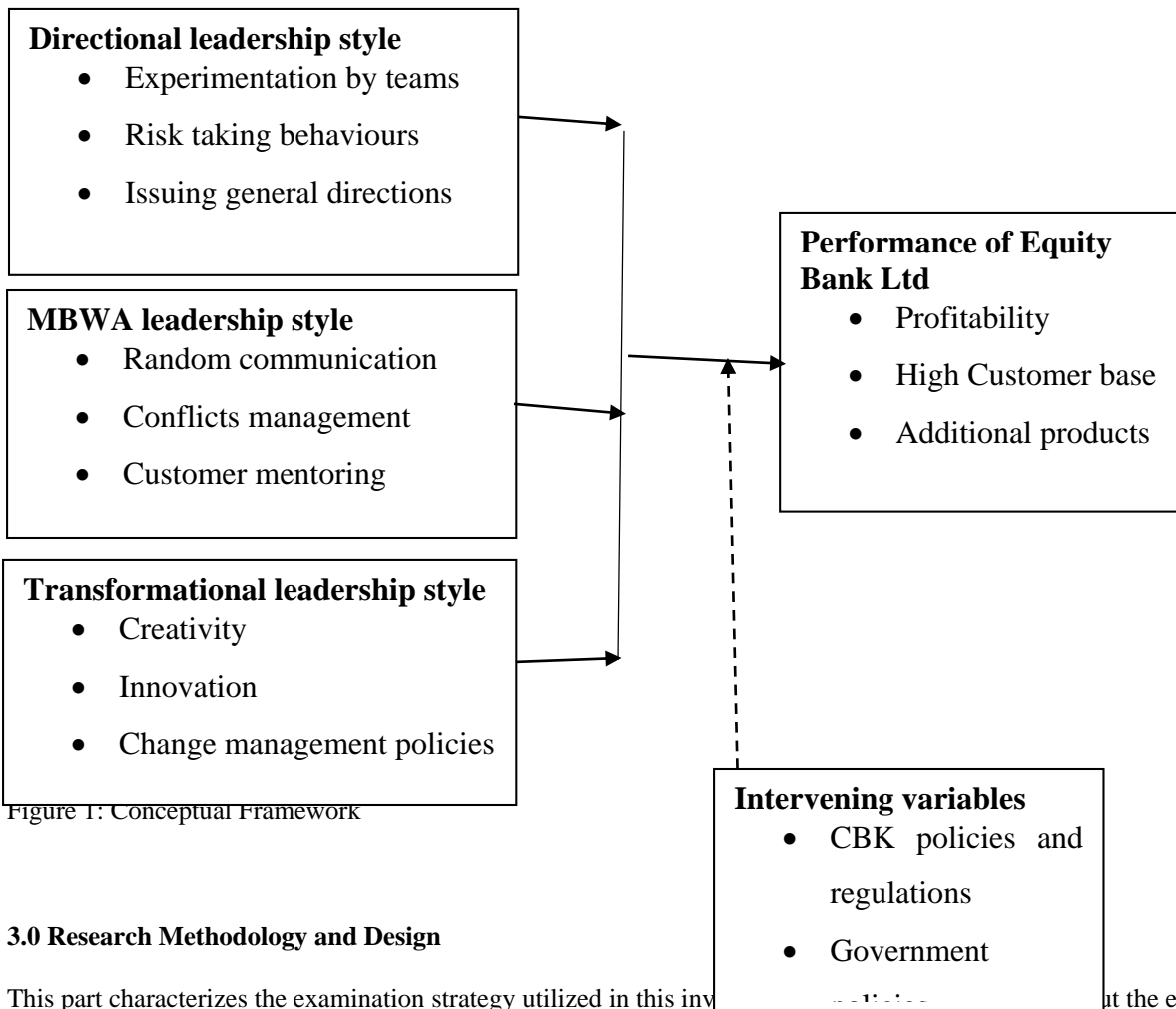


Figure 1: Conceptual Framework

### 3.0 Research Methodology and Design

This part characterizes the examination strategy utilized in this investigation. It details the exploration plan as for the structure picked. The target population of study, sample and sampling techniques and information gathering approaches utilized in the study are likewise talked about.

#### 3.1 Research Methodology

In this study, the researcher used mixed methodology as both quantitative and qualitative data was used.

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Research design is a description of the way data is collected and the instruments of data collection to be used. It also describes how the data collection instruments will be in collecting the data and eventually explains the methods of data collection and analyses. The research was held across departments at Equity Bank’s head office, Equity Centre. The logistics were not an issue of concern most data was collected using an electronic questionnaire.

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Functional level	532	78
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Source: Equity bank records, 2019

### 3.4 Sampling Procedures and Techniques

Sampling is a method of selecting a number of subjects for a study, ensuring they are a representation of at least 30% of the whole target population (Mugenda & Mugenda, 2003). Considering the given meaning, as well as the intents of this research, a 20% segment was chosen from the target population of 682 workers to give a sum of 136 participants. Stratified Random Sampling design was used for this study.

### 3.5 Sample Population

Table 2: Sample Distribution

Category of Staff	Sampling Frame	Size of Sample	Total population in Percentage (%)
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Functional Level	20% × 532	107	78
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Source: Equity Bank, 2019

### 3.6 Proposed Data Analysis Techniques and Procedures

Descriptive (frequencies and percentages) and inferential (linear regression) analysis was used to find how variables studied were related. Statistical Package for Social Sciences v.23 was used for data analysis. The regression equation used was as follows:

$$Y = \beta_0 + \beta_1 X_1 + \epsilon$$

Whereby:

Y= Performance of Financial Institutions

$\beta_0$  = Constant

$\beta_1 - \beta_3$  = Beta coefficients

X1 = Transformational leadership style

#### 4.1 Transformational Leadership Style and Performance of Equity Bank Kenya Ltd

The impact of transformational style of leadership on the performance of Equity Bank Ltd and outcomes presented in tables using descriptive and inferential statistics.

**Table 3: Responses on the Impact of Transformational Style of Leadership on the Performance of Equity Bank Ltd**

	SA		A		N		D		SD	
	f	%	F	%	f	%	F	%	F	%
Your leaders encourage employee commitment	70	58.3	35	29.2	0	0.0	15	12.5	0	0.0
Your leaders motivate Employees	55	45.8	41	34.2	0	0.0	24	20.0	0	0.0
Your leaders are inspirational	44	36.7	38	31.7	12	10.0	11	9.2	15	12.5
Your leaders entertain new ideas	31	25.8	29	24.2	10	8.3	32	26.7	18	15.0
Your leaders encourage adaptability to changing markets	65	54.2	35	29.2	7	5.8	0	0.0	13	10.8
Your leaders participate actively in growing the organization	11	9.2	59	49.2	32	26.7	18	15.0	0	0.0
Your leaders share a collective organizational consciousness	49	40.8	71	59.2	0	0.0	0	0.0	0	0.0
Your leaders make the difficult decisions	120	100.0	0	0.0	0	0.0	0	0.0	0	0.0
Your leaders are able to take the right risks	99	82.5	21	17.5	0	0.0	0	0.0	0	0.0
Your leaders encourage self-management	90	75.0	7	5.8	12	10.0	11	9.2	0	0.0

Based on responses gathered from employees and presented in Table 3, 58.3% strongly agreed that their leaders encouraged employee commitment, 45.8% strongly agreed that their leaders motivated employees, 36.7% strongly agreed that their leaders were inspirational, 54.2% strongly agreed that their leaders entertained new ideas, 49.2% strongly agreed that their leaders participated actively in growing the organization, 59.2% agreed that their leaders shared a collective organizational consciousness, 100% strongly agreed that their leaders made the difficult decisions, 82.5% strongly agreed that their leaders were able to take the right risks while 75% strongly agreed that their leaders encouraged self-management. As the results implied, transformational leadership styles adopted by the management of Equity Bank Ltd had positive impacts on performance of the bank in Kenya. Hence this leadership style was found to be very appropriate for enhancing the banks' performance.

**Table 4: Model Summary of the relationship between Transformational Style of Leadership and the Performance of Equity Bank Ltd**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.951 <sup>a</sup>	.905	.904	.377

a. Predictors: (Constant), Transformational leadership style

Regression model summary results revealed that, by holding other factors constant at zero, transformational leadership style does have some impacts on equity banks performance. This because the R<sup>2</sup> value of R<sup>2</sup>=0.905 indicated that transformational leadership style impacted equity banks performance by 90.5%. Hence, all other factors not tested combined only have a 9.5% impact on the banks' performance in Kenya.

**Table 5: ANOVA of the relationship between Transformational Style of Leadership and the Performance of Equity Bank Ltd**

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	160.220	1	160.220	1127.251	.000 <sup>b</sup>
	Residual	16.772	118	.142		
	Total	176.992	119			

a. Dependent Variable: Performance of Equity Bank Ltd.

b. Predictors: (Constant), Transformational leadership style

ANOVA outcome presented in Table 4.12 showed that the studied independent variable of transformational leadership style is significantly related to the dependent variable investigated which is Equity Bank Ltd.'s performance as the p-value of p=0.000 is lower than p=0.05. This proved that the model used to test the relationship between the investigated variables was a good fit for conducting this test.

**Table 6: Regression Coefficients of the relationship between Transformational Style of Leadership and the Performance of Equity Bank Ltd**

Model		Unstandardized Coefficients		Standardized Coefficients		T	Sig.
		B	Std. Error	Beta			
1	(Constant)	-.125	.065			-1.909	.059
	Transformational leadership style	1.013	.030	.951		33.575	.000

a. Dependent Variable: Performance of equity bank

The regression coefficient outcomes presented in Table 4.13 revealed that there was a statistically significant relationship between transformational leadership styles and Equity Bank Ltd.'s performance. This is due to the fact that the established p-value of p=0.000 was found to be lower than p=0.05. Therefore, the studied variables were found by the study to be statistically related. Lastly, the Beta

value also showed that a unit change in transformational leadership style adopted by managers would result in 0.951 unity change in the performance of Equity Bank Ltd.

## **5.0 Summary of the Result Findings**

The goal of the study was to investigate the impact of transformational style of leadership on the performance of Equity Bank Ltd. The study generally found that transformational leadership style positively affected the performance of equity bank ltd. According to the results, the banks' leaders encouraged employee commitment, motivated employees, were inspirational, entertained new ideas, participated actively in growing the organization, shared a collective organizational consciousness, made the difficult decisions, were able to take the right risks and encouraged self-management all of which enhanced the performance of the organization. Further, whenever transformational leadership was employed, the banks' performance was impacted by 90.5% indicating that there was a statistically significant relationship between transformational leadership styles and Equity Bank Ltd.'s performance.

## **5.1 Conclusions**

It is in conclusion that transformational leadership style had a good and positive effect equity bank ltd.'s performance which led to improved performance of the studied organization. This leadership style therefore had a statistically significant relationship with the bank's performance.

## **5.2 Recommendations**

Guided by the study outcomes, the following recommendations are put forth by the researcher for policy purposes:

- That the bank should encourage its managers to employ transformational leadership styles as these styles have been proven to improve the banks overall performances.
- That this organization find ways of ensuring that transformational leadership style continuously results in desirable banks performance by sealing any loopholes that may hinder the complete and efficient utilization of these styles by managers.