

TRANSACTIONAL LEADERSHIP STYLES AND JOB SATISFACTION IN NEPALESE FINANCIAL INSTITUTIONS

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ABSTRACT

The objective of this study is to analyze the transactional leadership styles and its effect in satisfaction at job in financial institutions in Nepal. Management –by- exception (Passive), Contingent rewards and management – by- exception (Active) under transactional leadership has been taken as independent variables whereas job satisfaction as dependent variable. Using descriptive research design, 399 samples has been taken from employee working in 15 financial institutions of Nepal adopting stratified random sampling technique. This study utilizes mean, standard deviation, correlation and regression as statistical technique to analyze the data. The result indicated that all the variables under study found significant positive correlation and the regression analysis shows under the independent variables of transactional leadership styles, management – by- exception (Active), contingent reward, and management –by- exception (Passive) found having significant positive impact on employee job satisfaction in financial institutions. The study concludes that transactional leadership is important leadership style to enhance the employees' job satisfaction in financial institutions.

KEYWORDS: *Leadership Style, Transactional Leadership, Contingent Rewards, Nepalese Financial Institutions.*

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