

# Leadership Behaviors and Organizational Commitment in Nepali Public Enterprises: A Qualitative Exploration

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## Abstract

*This research paper examines the complex relationship between leadership behaviors and organizational commitment within the context of Nepali public enterprises. It has used a qualitative research approach in phenomenology. The study identifies the prevalent leadership behaviors exhibited by managers. It has focused on their frequency, intensity, and effectiveness in development of employee engagement and motivation. Transformational leadership, characterized by inspiration, motivation, and individualized consideration, emerges as a critical driver of organizational commitment. In contrast, transactional leadership is found to be effective in achieving short-term goals but less impactful in cultivating long-term commitment. The study also explores the factors influencing organizational commitment, such as job satisfaction, organizational culture, perceived fairness, and trust in leadership. These factors have a vital role in influencing employees' emotional attachment, perceived costs of leaving, and sense of obligation within Nepali public enterprises. The findings enhance the understanding of how leadership behaviors impact organizational commitment in Nepali public sector. It provides practical recommendations for leaders in Nepali public enterprises, emphasizing the need for context specific strategies that address the challenges of the public sector for reform and modernization to enhance employee commitment and organizational success.*

**Keywords:** leadership behaviors, organizational commitment, Nepali public enterprises, transformational leadership, transactional leadership, employee engagement, public sector leadership

## Introduction

This study investigates into the intricate relationship between leadership behaviors and organizational commitment within Nepali public enterprises. Through in-depth interviews with employees and leaders, this study seeks to uncover the nuanced perspectives and experiences that shape this dynamic. The qualitative discourses surrounding leadership and commitment, the paper to contribute to a more comprehensive understanding of these constructs in the Nepali context. This study purposes to discover a new perspectives and experiences that shape these constructs in the Nepali context. Through a qualitative lens, the study seeks to identify the prevalent leadership

behaviors exhibited by managers in Nepali public enterprises. It included their frequency, intensity, and effectiveness in development of employee engagement and motivation.

## Leadership Behaviors and Organizational Commitment

Job satisfaction is one of the characteristics that consistently impact organizational commitment (Gautam et al., 2005). Employee commitment is greatly impacted by organizational culture, which includes shared values and beliefs and shapes attitudes and actions (Shrestha, 2019). The cultivation of commitment is significantly influenced by the leadership style, especially transformational leadership. According to Schein (2010),

remuneration is a significant additional component, as is the work environment and organizational climate, which includes things like communication, training, and employee empowerment (Ojo et al., 2016). Significant variables include leadership in the management team and work experience. Increased employee retention, lower attrition, and enhanced organizational performance result from comprehending and addressing these issues (Yukl et al., 2013).

An organizational commitment is greatly influenced by the leadership behaviors that are displayed. Higher levels of employee commitment are consistently linked to transformational leadership, which is characterized by idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration. Commitment also be increased via transactional leadership, which emphasizes active management by exception and contingent rewards (Bass & Avolio, 1993). This is especially true when combined with efficient performance management techniques. Nonetheless, there are many different facets and a complicated relationship between organizational commitment and leadership actions. Contextual factors, personnel traits, and organizational climate can all operate as mediators or moderators in this relationship (Judge & Bono, 2004). For example, a supportive work environment may enhance the benefits of transformational leadership on dedication, and individual variations in temperament or background may affect how subordinates react to various theories of leadership.

### **Challenges and Opportunities for Promoting Organizational Commitment**

Fostering organizational commitment in Nepali public enterprises presents unique challenges. Bureaucratic red tape, characterized by excessive rules and regulations, can hinder employee autonomy and job satisfaction. Ineffective communication

channels can lead to misunderstandings, decreased trust, and reduced commitment (Gallato et al., 2012). Additionally, a lack of employee empowerment, characterized by limited opportunities for participation and decision-making, can diminish employees' sense of ownership and investment in the organization.

To address these challenges and foster organizational commitment, Nepali public enterprises can implement several strategies. Improving communication channels through regular employee meetings, feedback mechanisms, and transparent communication can enhance trust and understanding. Empowering employees by providing opportunities for participation in decision-making processes can increase their sense of ownership and commitment (Lama & Pokhrel, 2019). Furthermore, reducing bureaucratic red tape by streamlining procedures and delegating authority can enhance employee autonomy and job satisfaction.

### **Research Objectives**

The main objective of this research is to find out how organizational commitment and leadership behaviors relate to each other in Nepali public companies. The paper employs following objective for this study.

To explore the current perspectives and experiences on leadership behaviors and organizational commitment in Nepali public enterprises.

To investigate the relationship between leadership behaviors and organizational commitment in Nepali public enterprises through a qualitative lens.

### **Research Questions**

The study has specific research questions that has guide the investigation.

- How do employees perceive the leadership behaviors of their managers in Nepali public enterprises?

- What are the factors that influence employees' organizational commitment in these enterprises?
- What are the challenges and opportunities for fostering organizational commitment through effective leadership in Nepali public enterprises?

## Literature Review

### Leadership Behaviors in Public Sector Organizations

Leadership behaviors in public sector organizations have been extensively studied because of their key role in influencing employee outcomes such as job satisfaction, organizational commitment, and performance. Public sector leaders often operate in environments characterized by bureaucratic structures, limited resources, and political influences. That shape their leadership style and behaviors.

Numerous studies emphasize the significance of transformational leadership within the public sector. The leaders who inspire, motivate, and engage employees are linked to higher levels of job satisfaction and organizational commitment. Bass and Avolio (1994) argued that transformational leaders in the public sector foster a sense of purpose and belonging among employees, leading to enhanced motivation and performance.

The transactional leadership is prevalent in public sector organizations. It is characterized by reward-based management. A Study by Wright and Pandey (2010) suggested that while transactional leadership can be effective in achieving specific outcomes. But It may not develop long-term organizational commitment and employee satisfaction.

In the context of developing countries like Nepal,

the role of leadership is even more critical due to the challenges of resource constraints, political instability, and bureaucratic inertia. Leaders in Nepali public enterprises need to balance the demands of stakeholders with the need to motivate and engage their workforce, making adaptive leadership behaviors essential (Khanal et al., 2022).

### Organizational Commitment

Organizational commitment refers to an employee's psychological attachment to their organization and generally includes three dimensions: affective commitment, continuance commitment, and normative commitment (Meyer & Allen, 1991).

The emotional bond between an employee and their employer is known as affective commitment. Highly devoted individuals have a strong sense of belonging and harmony with the objective of the organization. They are more inclined to be devoted and move higher and above. Affective commitment is more likely to be fostered by leaders that place a high priority on the support, recognition, and well-being of their workforce (Meyer & Herscovitch, 2001).

The expenses employees link with leaving the organization determine the continuity commitment dimension. High continuation commitment employees stick with the organization because they believe there are no good alternatives or that quitting would result in large individual expenses. Leadership behaviors that focus on job security and incentives to reinforce continuance commitment. Though it may not necessarily enhance employee satisfaction and engagement (Shrestha, 2019).

Normative commitment is based on an employee's sense of duty or obligation to remain with the organization. High normative commitment employees believe that they have a moral or

ethical obligation to remain with their employer. Leadership behaviors that emphasize ethical standards, organizational loyalty and a sense of duty for strengthen normative commitment (Meyer & Herscovitch, 2001). The connection between organizational commitment and leadership, with transformational leadership proving especially useful in fostering normative and affective commitment. In contrast, transactional leadership support continuance commitment but may not significantly impact affective and normative dimensions.

## **Nepali Public Enterprises**

Nepali public enterprises operate within a complex environment characterized by government ownership, political influences, and socio-economic challenges. These enterprises have significant role in the national economy, providing essential services and employment. However, they face unique challenges, including bureaucratic inefficiencies, resource constraints, and political interference. This can impact their performance and sustainability (Paudel, 2020).

Leadership within Nepali public enterprises are critical in directing these challenges. Effective leadership enhance organizational commitment. It drives performance and provide a culture of accountability and innovation (Subedi et al., 2021). However, leaders in these enterprises often struggle with balancing the demands of various stakeholders and managing limited resources. It supports to implement reforms in a resistant bureaucratic environment.

There are opportunities for Nepali public enterprises include the potential for reform and modernization. It helps to use digital technologies, and develop public-private partnerships to enhance efficiency and service delivery. Leadership that is adaptive,

innovative, and committed to public service values is essential in realizing these opportunities and overcoming the challenges faced by Nepali public enterprises.

## **Theoretical Framework**

This study provides a thorough knowledge of the link between organizational commitment and leadership behaviors in Nepali public enterprises by drawing on recognized theoretical frameworks.

### **Transformational Leadership Theory**

According to Bass and Avolio (1993), transformational leadership is characterized by leaders who inspire and motivate their followers to surpass their own expectations through a shared vision. These leaders offer individualized support and promote intellectual development, fostering a strong sense of purpose, trust, and loyalty within their team. This leadership style is commonly associated with higher levels of employee satisfaction, engagement, and commitment (Judge & Bono, 2001).

### **Transactional Leadership Theory**

Transactional leadership middles on the idea of exchanging rewards and penalties between leaders and their followers. This approach emphasizes a system of give-and-take, where leaders provide incentives for desired behaviors and impose consequences for actions that fall short of expectations. According to transactional leadership theory (House, 1977), leaders motivate followers through contingent rewards and active management by exception. While transactional leadership effective in maintaining organizational performance. It may not be as powerful as transformational leadership in fostering deep-rooted commitment. Transactional leaders more focused on short-term goals and maintaining order.

## Organizational Commitment Theory

Organizational commitment, according to Meyer and Allen (1991), reflects an employee's emotional connection, sense of duty, and desire to stay with an organization. Their three-component model outlines affective commitment (emotional attachment), continuance commitment (perceived costs of leaving), and normative commitment (a sense of obligation to stay). It is as distinct but interrelated dimensions of organizational commitment. Affective commitment reflects an emotional connection to the organization. The continuance commitment is based on the perceived disadvantages of leaving. The normative commitment arises from a sense of moral duty to remain with the organization.

Using these theoretical frameworks, this study aims to thoroughly explore the factors that shape organizational commitment in public enterprises in Nepal. The role that leadership behaviors play in shaping these factors. Transformational leadership, with its emphasis on inspiration and motivation. Transformational leadership is anticipated to have a more significant positive influence on organizational commitment compared to transactional leadership. However, the relationship between these leadership styles and the three components of organizational commitment is intricate and warrants further research.

## Methodology

Phenomenology has been chosen as the research design for this study to gain a deep understanding of the lived experiences of individuals in the context of organizational commitment in Nepali public enterprises. This qualitative approach allows for the exploration of subjective experiences and the interpretation of meaning from participants' perspectives (Campbell et al., 2020). A comprehensive review of existing literature on

organizational commitment, leadership behaviors, and related factors in the context of Nepali public enterprises was conducted to establish a theoretical framework and identify key research questions. A thematic analysis approach was used to analyze the collected data. The analysis focused on understanding the participants' perspectives, experiences, and interpretations of organizational commitment, leadership, and related factors.

## Findings

### Theme 1: Leadership Behaviors

In Nepali public enterprises, leadership behaviors exhibit a mix of transformational and transactional styles. The prevalence of one over the other depending on the organization's structure and the background of the leaders.

The study observed among leaders who focus on inspiring and motivating their teams, transformational leadership behaviors are relatively common in enterprises that have undergone recent reforms. They are led by individuals with a vision for change. These leaders encourage innovation, promote a shared vision and engage employees in decision-making processes. It shows the positive impacts on job satisfaction and performance. More traditional and hierarchical organizations tend to display transactional leadership behaviors. The leaders emphasize compliance, rewards, and penalties. While this style confirms operational efficiency and adherence to rules. It may not significantly enhance employee engagement and creativity. Transformational leadership behaviors are found associated with higher employee satisfaction, increased organizational commitment and improved performance. In contrast, transactional leadership is linked to short-term goal achievement but may contribute less to long-term organizational commitment and job satisfaction.

## Theme 2: Organizational Commitment

Several factors influence organizational commitment among employees in Nepali public enterprises. Employees who are satisfied with their jobs, particularly in terms of work-life balance, and recognition. Itcareers development opportunities, tend to exhibit higher levels of affective commitment. This emotional attachment to the organization adopts loyalty and a willingness to go above and beyond in their roles. A positive organizational culture that promotes fairness, inclusivity, and ethical behavior strengthens employees' normative commitment. It showed that employees feel a moral obligation to stay with an organization that aligns with their values and a supportive work environment. Perceptions of fairness in leadership decisions, particularly in areas like promotions, rewards, and resource allocation. These factors have crucial role in strengthening continuance commitment. Employees are more likely to remain with the organization if they perceive that leaving would lead to substantial personal and professional setbacks.

## Theme 3: Relationship Between Leadership and Commitment

The connection between leadership behaviors and organizational commitment in Nepali public enterprises reveals both causal and correlational relationships. Transformational leadership behaviors observed that causally contribute to higher affective and normative commitment. It is developing a positive work environment and aligning employees' personal goals with organizational objectives. Transactional leadership behaviors observed and perceived that correlate with continuance commitment. As employees may stay due to external rewards or the perceived risks of leaving, rather than intrinsic motivation and emotional attachment.

## Theme 4: Challenges and Opportunities

Nepali public enterprises face several challenges in promotion organizational commitment through effective leadership. Bureaucratic inertia, political interference, and limited resources are significant barriers to implementing transformational leadership practices. Additionally, the hierarchical nature of many public enterprises may stifle innovation and employee engagement. It is also perceived that there is potential to leverage digital technologies, public-private partnerships, and reform initiatives to modernize leadership practices. More adaptive and inclusive leadership styles, Nepali public enterprises can enhance employee commitment and drive organizational success.

## Discussion and Implications

The findings align with existing literature on the importance of transformational leadership in enhancing organizational commitment. The study approves that while transactional leadership achieve short-term goals, it may not be sufficient for achieve long-term commitment. The findings also suggest that organizational culture and perceived fairness are crucial in maintaining high levels of commitment in the context of Nepali public enterprises.

This study adds to the broader research on leadership and organizational commitment by offering strategic insights tailored to the context of Nepali public enterprises. It highlights the need for context-specific leadership strategies that account for the socio-political environment and organizational challenges in Nepal. The study also adds to the understanding of how different leadership behaviors influence various dimensions of organizational commitment.

## Practical Implications

For Nepali public enterprises to improve leadership practices and foster organizational commitment, the following recommendations are developed.

Leaders should focus on inspiring and motivating employees, promoting innovation, and involving employees in decision-making processes. Training programs should be developed to enhance transformational leadership skills among current and emerging leaders.

Building a positive organizational culture that values fairness, inclusivity, and ethical behavior is essential. This can be achieved through policy reforms, leadership training, and initiatives that promote transparency and accountability.

Ensuring that leadership decisions are perceived as fair, particularly in areas like promotions and rewards. It can be strengthened continuance commitment. Regular feedback mechanisms and transparent decision-making processes can help achieve this.

These strategies support Nepali public enterprises to overcome challenges and opportunities to enhance organizational commitment through effective leadership.

## Conclusion

This study highlights the significant impact of leadership behaviors on organizational commitment in Nepali public enterprises. Transformational leadership is found to be particularly effective in enhancing affective and normative commitment. While transactional leadership is more closely associated with continuance commitment. Key factors influencing organizational commitment include job satisfaction, organizational culture, and perceived fairness. Despite the challenges posed by bureaucratic inertia and political interference, opportunities exist to modernize leadership practices and strengthen employee commitment. The transformational leadership behaviors are perceived situational to enhance organizational culture, and promoting fairness, leaders can drive positive change and achieve sustainable

organizational success. In the context of Nepali public enterprises, the role of leadership becomes even more critical in navigating these complexities and ensuring long-term growth and stability.

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