

**“THE RELATIONSHIP BETWEEN MANAGERS’ USE OF  
POWER AND EMPLOYEES’ ORGANIZATIONAL  
OUTCOMES OF LICENSED COMMERCIAL BANKS”**



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## ABSTRACT

This project report investigates managers' use of power and its relationship to employees' organizational outcomes and any other potential factors influencing the relationship in Commercial Banks (CBs) in Mammunai North Division, Batticaloa District. The objective was to gain insights into ways in which the management of Commercial bank might use their power to enhance the levels of employees' commitment and job satisfaction. Data were collected from Primary data. Likert's-type questionnaires were distributed to 206 employees in 12 Commercial banks and complete questionnaires (in total 152) were included for data analysis using tools from SPSS package such as ANOVA analysis, independent sample t-test, etc. The findings indicated a significant positive relationship between managers' use of power and employees' organizational commitment and job satisfaction in Commercial banks. Impact of managers' use of power on employees' organizational outcomes, F-Statistics value 47.424 at 5% significance level reveals that the model is significant ( $p=0.000 < 0.05$ ). Adjusted R square value 0.619 indicates that 61.9% variation in dependent variable (employees' organizational outcomes) is explained by independent variable (managers' use of power). This means, around 38% of variation in employee outcomes is explained by other factors which were not included in this study. The results of this study provide insight into how the management of Commercial banks can enhance the level of their employees' commitment and job satisfaction. To improve managers' use of power and its relationships with employees' commitment and job satisfaction in Batticaloa District, there have to be changes at the individual and organizational levels. At the individual level improving managers' power bases would involve basic education and specific job-related training. Managers should also be encouraged to enhance their skills through continuous self-learning. At organizational level top management should provide appropriate reinforcements for managers in learning about and improving their power bases.

**Key Words:** Coercive power, reward power, legitimate power, expert power, referent power, employees' organizational commitment and job satisfaction.