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The Effect of Relational Transparency on the Performance of Employees of Commercial Banks in Kenya

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Abstract
The study investigated the effect of Relational Transparency on the performance of employees of commercial banks in Kenya. Relational Transparency was measured using four independent variables, namely: openness, truthfulness, self-disclosure and mutual trust. Performance of employees had four indicators, which included efficiency, productivity, turnover and quality of work output. The theory underpinning the study is Social Exchange Theory. A cross-sectional descriptive research design was used. The population was 31,605 employees of 38 commercial banks in Kenya. The study sample was 395 respondents, which was attained using proportionate stratified sampling method. A structured questionnaire was used to collect primary data from respondents. The study formulated the null hypothesis and tested it using the spearman correlation coefficient aided by the statistical package for social sciences. The results showed that relational transparency has a statistically significant influence on the performance of employees of commercial banks in Kenya. The findings would be useful to commercial banks in Kenya and other organizations in evaluating their leaders 'relational transparency in order to improve performance of their employees.

Keywords: Relational transparency, employee performance, openness, truthfulness, self-disclosure, mutual trust

Introduction
This study examined the effect of leader relational transparency on the performance of employees of commercial banks in Kenya. Relational transparency is a component of authentic leadership. Leaders who have relational transparency behaviour are familiar with both how they view themselves and how others see them (Waida, 2021). Leaders with high relational transparency promote healthy relationships with other sat the workplace (Abidin, 2017). This is made possible by the leader who is able to listen attentively to employees that are willing to say what they think about the leader (Avolio & Luthans, 2006). This study considered four elements of relational transparency, which are: values, cognitions, emotions and motives (Gardner et al., 2005). On the other hand, performance of employees is considered a vital element in leadership studies because of its role in the process of organizational performance. It is the accumulated value of the employee behaviour, which contributes to the organization (Campbell, 1990).

Performance of employees is dependent on the leader behaviour that can motivate employees toward high performance (Northouse, 2016). According to Olaka et al. (2017), improved performance is mostly associated with leader behaviour in the individual commercial banks in Kenya. Further, the stability of commercial banks in Kenya is majorly dependent on the performance of employees (Ndegwa et al., 2018). There are 38 licensed commercial banks in Kenya with 31,605 employees (CBK, 2021). Commercial banks contribute substantially to the national economy. This study tested the null hypothesis (Ho), which stated that there is no statistically significant relationship between relational transparency and performance of employees of commercial banks in Kenya. The regression model used was $P = \beta_0 + \beta_1 RT + \acute{\varepsilon}$ and P-value of 0.05. The null hypothesis was rejected and concluded that relational transparency has a statistically significant effect on the performance of employees of commercial banks in Kenya. Therefore, it was recommended that organizations should train their leaders and employees on the competencies that are associated with relational transparency.

Employees are regarded as the most critical resource in many organizations. Their perception of leadership and job satisfaction of ten determines the level of performance. Commercial banks in Kenya are concerned with how to sustain performance of employees because of its critical impact on organizational outcomes (Shilaho, 2019). Due to the significant role employees play in organizational performance, commercial banks spend huge resources in trying to establish the best way to maintain high employees performance (Enu-Kwesi et al., 2014). Therefore, the type of leaders commercial banks have determines the level of employee performance. Employee performance problem is indicated by decreased productivity, lack of efficiency, poor quality work output and high turnover intentions (Karoki, 2016). This problem is not necessarily personal, rather it is associated with the low level of leader relational transparency (Hendricks, 2018). Employees of commercial banks in Kenya need leaders that have high relational transparency in order to develop hope, optimism and resilience that can improve their performance (Ribeiro et al., 2018). Despite a chain of reforms being introduced by stakeholders, performance of employees of commercial banks in Kenya has not been consistent (Maina & Waithaka, 2018). Several studies have shown lack of leader relational transparency in the commercial banking sector in most third world countries (Rijsenbilt & Commandeur, 2013; European Investment Bank, 2016). Leader relational transparency problem has also been witnessed in most commercial banks in Kenya (Muchiri & Gachunga, 2018). Few studies have established the effect of relational transparency on the performance of employees of commercial banks in Kenya (Muchiri et al., 2016; Sang, 2016). Prior studies scarcely considered relational transparency as a crucial research area in leadership studies. Against this backdrop, the current study addressed the nexus gap between relational transparency and performance of employees of commercial banks in Kenya. The null hypotheses for the study states that there is no statistically significant relationship between relational transparency and performance of employees of commercial banks in Kenya.

1.0 Literature Review

This section presents the independent variable of the study, which is Relational Transparency, while the dependent variable is Performance of Employees. The theory underpinning the study is Social Exchange Theory.

1.1 Relational transparency

Relational transparency is a behaviour of authentic leadership. It involves valuing and striving to achieve openness and truthfulness in relationships. Relational transparency involves self-disclosure and mutual trust so that relations can see individuals' true self-aspects (Kernis& Goldman, 2006). To achieve transparency in relationships, a leader must be genuine in relating with others. Transparency, which is relational in nature, involves valuing and achieving openness and truthfulness in a leader's relationships. Therefore, relational transparency involves committing to help relations expose their true selves (Gardner et al., 2005). Thus, relational transparency involves leaders presenting genuine self through self-disclosure to create bonds based on intimacy and trust with close relations, who should also do likewise. Relational transparency behaviour expects a leader to display high levels of openness, self-disclosure and trust in close relationships.

Transparency can be viewed both as a quality of the leader and a product of relationships (Duignan & Bhindi, 1997). Relationship quality affects performance of the organization and its leadership. Studies show that trusting and caring relationships are central to the creation of an organizational climate, where values such as honesty, integrity, fairness, loyalty, justice and equity are internalized and expressed in daily practices of individuals (Duignan & Bhindi, 1997). Followers develop trust in the leader when the leader engages in transparent decision-making that shows integrity and ethical values (Gardner et al., 2005). By such trust, followers develop authentic behaviour, which forms an ethical climate that leads to higher levels of performance of employees. Relational transparency behaviour is fundamental to the development and performance of employees. In summary, relational transparency portrays the leader's ability to honestly show his or her ego to others including employees. Thus, the leader can openly talk about his or her positive as well as negative aspects without reservations (Kim, 2018). Therefore, the senior leader in the organizational hierarchy is able to reveal his or her weaknesses to employees without constraint and make every effort to closely relate and encourage the employees to trust him or her (Ilies et al., 2005). Such trust ultimately contributes to building reliable and meaningful leader-employee relationships. The four indicators of relational transparency are: openness, truthfulness**,** self-disclosure and mutual trust.

1.1.1 Openness

Openness is one of the values that form relational transparency behaviour, which authentic leaders value and strive to achieve with focus on employee performance (Kernis & Goldman, 2006). Leaders who exhibit openness in handling information to others are described as having high level of transparent relationship which displays their level of consistency (Norman et al, 2020). Societies and economies thrive in an environment of openness (Avolio & Luthans, 2006). Openness is necessary for emergence and expression of a valued self and the development of quality relationships between leaders and followers (Ehret, 2018). Research shows that leaders with high openness actively explore, promote and implement novel ideas and consequently exhibit innovative work behaviour (Madrid et al., 2014). This conclusion is supported by Chetty (2019), who says that openness of leaders is concerned with innovative thinking, interest, embracing new information and being open to new experiences. Thus, leaders with higher levels of openness tend to be creative, broad minded, inquisitive, strategic and broad thinkers.

1.1.2 Truthfulness

Another component of relational transparency is truthfulness, which is a core value in developing relationships (Kernis & Goldman, 2006). Thus, a leader that is truthful is able to relate to others for the collective good and ethical accountability. Truthfulness is a key element in productive interactions between a leader and the followers (Avolio & Luthans, 2006). It improves a leader's relationship with followers, which is an integral component of relational transparency (Chen, 2019). It is one of the elements that define authentic leadership as the unobstructed operation of one's truthfulness in his or her daily enterprise. Thus, authentic leaders can be identified, felt and described by their positive impact in their areas of leadership because of their true lifestyle and originality. It is worth to note that truthfulness in leadership encourages transparency, where leaders learn to be true to self, honest and without hypocrisy (Effron et al., 2018). The key principles of relational transparency involve not only being true to self, but also displaying high levels of moral integrity. Therefore, it can be concluded that truthfulness is a key component of relational transparency.

1.1.3 Self-disclosure

Relational transparency involves an active process of self-disclosure, where associates are able to see true self aspects of a leader (Kernis & Goldman, 2006). Self-disclosure helps in self-acceptance, whereby the more one reveals self to others, the more opportunities for others to accept him or her. Thus, self-disclosure helps leaders to have high relational transparency by being open and comfortable engaging in genuine relationships with close others. Self-disclosure requires leaders to expose their vulnerabilities as they open themselves to ridicule (Klenke, 2007). Vulnerability is considered an important leadership component to connect with others at a basic level of humanness (Lopez, 2018). Additionally, vulnerability is suggested to be a primary factor for developing trust between a leader and followers (Nienaber et al., 2015). Thus, trust in organizational leadership emphasizes the vulnerability of employees and their dependence on their leaders in the organizational hierarchy. It is suggested that the vulnerability of senior leaders to team leaders emerged because their leadership is dependant on the trust of their employees (Adeel et al., 2018). Therefore, it can be concluded that the leaders' vulnerability follows the vital relationship between employees' trust and the leader's ability to lead (Lopez, 2018).

1.1.4 Mutual Trust

Mutual trust is one of the key components that foster relational transparency behaviour in leaders. Every governance paradigm requires a leadership with trustworthiness. According to Kernis and Goldman (2006), relational transparency involves an active process of mutual trust development so that associates can know each other's true self aspects. Mutual trust is associated with leaders who have high relational transparency and they are genuine as well as authentic (George et al., 2013). Trustworthiness is a core element of transparent leaders' personal identity that fosters positive relationships with followers (Kernis & Goldman, 2006). Trust has been used to define relational transparency as an open process that shows one's true self in their daily life (Kernis & Goldman, 2006). It is a core component of the leader's behaviour, which fosters positive relationships (Avolio & Luthans, 2006). Some of the outcomes of leader-follower relationship include increased follower' trust in the leader, increased engagement, improved

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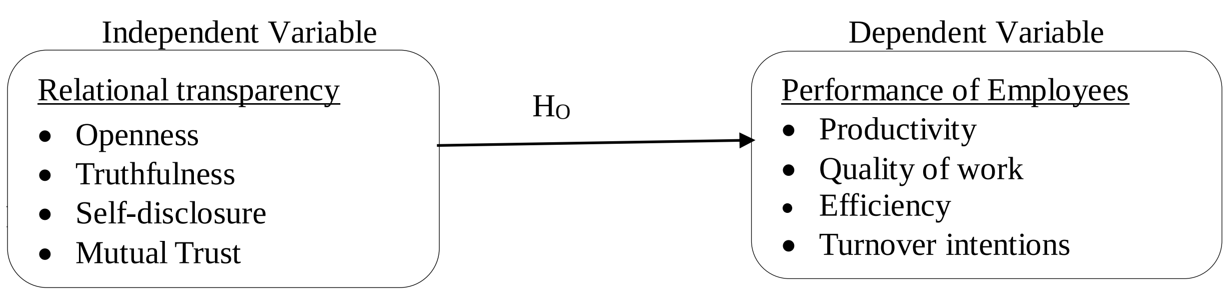
workplace well-being, veritable sustainable employee performance and developmental growth (Bandura, 2012). Thus, the more employees trust their leader the more risks they are willing to take, the more changes they are likely to make and the more they keep the organization successful (Kouzes & Posner, 2013). Trust can either be conditional or internal, but it remains a product of relational transparency that provides consistency for the leader and employees relationship (Avolio & Luthans, 2006). Since it is evident that trust has a critical role in the leader's relational transparency, organizations need a fully developed sense of internal trust between the leader and employees. In other words, trust is critical in developing successful relational transparency behaviour. Therefore, it is concluded that followers trust a leader because he or she is genuine and authentic (George et al., 2013). Literature on authentic leadership shows that leaders with high relational transparency have trust in their thoughts (Kernis & Goldman, 2006).

1.2 Employee Performance

Employee performance refers to quality and quantity of output, presence at work, accommodative and helpful nature and timeliness of output (Shahzadi & Javed, 2014). It is the accumulated value of the employee behaviour that contributes to the organization (Campbell, 1990). Commercial banking is a service industry that requires high performance of employees to achieve goals, deliver products and services as well as achieve competitive advantage. Performance is beneficial to the individual employee because they gain job satisfaction and get rewards. Before the 1980s, no attempts had been made to model employee performance as a construct (Austin & Villanova, 992). However, researchers have developed a consensus that employee performance be defined as actual things that employees do and actions they take to contribute to the organizational goals (Campbell & Wiernik, 2015). Despite this consensus, employee performance theory and measurement have received little attention in the field of leadership (Richard et al., 2009). Performance of employees is generally measured by efficiency, quality of work, productivity and turnover intensions (Ondoro, 2015). Additionally, employees who perceive leaders as having relational transparency behaviour are likely to replicate the same behaviour (Leroy et al., 2015). This study measured performance of employees based on four indicators, which include efficiency, productivity, turnover intentions and quality of work.



1.3 Social Exchange Theory

The theory associated with relational transparency is Social Exchange Theory. It is a socio-psychological and sociological view, which describes social change and stability as a process of negotiated exchanges between parties (Hakkinen, 2012). Major proponents of the Social

Exchange Theory include Homans (1961), Blau (1964) and Emerson (1962). According to Homans (1961) social exchange involves exchange of activity, tangible or intangible and rewarding or costly, between parties. Blau (1964) described this theory as involving a person's voluntary behaviour in return to others' positive behaviour. However, Emerson (1962) argued that the power dependence theory of social relations means that the more a person values resources controlled by another, the more dependent that person is and the less power he or she has in the relationship. The relational perspective of social exchange focuses on the leader-employee relationship, where employees are convinced about and willing to engage in a reciprocity process with their leaders (Hakkinen, 2012). This kind of reciprocity works in the environment of trust between followers and leaders. The theory underlies the behaviour and interrelationships of people at work, which suggests that interactions between parties must involve reciprocal interdependence (Blau, 1964, 2017). According to Peus et al. (2012), Social Exchange Theory helps in examining the quality of interactions associated with reciprocity. Thus, the theory suggests that an individual, who supplies rewarding services, obligates the recipient to supply benefits in turn. It is a great tool for researchers who seek to examine the employment relationship between individuals in the work place. The proponents of Social Exchange Theory, Cropanzano and Mitchell (2005) promoted the idea that relationships should be developed through trust, loyalty and mutual commitment. Social Exchange Theory's central premise and fundamental feature of human interaction is the exchange of social and material resources (Homans, 2016). The nature of social exchanges affects areas such as equity theory of motivation and leadership, by showing how organizations value their employee's contribution and how they care for their well-being (Meira & Hancer, 2021). This conclusion supports the view of Tyagi and Puri (2017) that trust in leaders is the foundation of social exchange, which is developed through reciprocal occurrence between leaders and employees. Employees could increase their efforts to achieve their work goals because they have the support and resources from their leaders, which makes it possible to improve performance (Sepdiningtyas & Santoso, 2017). Relational transparency has been suggested to facilitate social exchange relationships between leaders and followers, where they encourage open information sharing and constructive feedback (Peus et al., 2012). Thus, positive social exchange yields relational transparency, which is one of the components of authentic leadership. Studies confirm that relational transparency has a positive influence on social exchange, which results in increased performance of employees (Gill & Caza, 2018; Dietl & Reb, 2021). Therefore, it is understood that leaders form and develop relationships by showing trustworthiness to employees and provide them with social rewards.

2.0 Research Methodology

The study adopted a cross-sectional descriptive research design (Bhattacherjee, 2012). Descriptive research design was based on the study purpose which was, to establish the effect of relational transparency on performance of employees of commercial banks in Kenya (Kothari & Garg, 2019). Cross-sectional study design has been used successfully in previous related studies (Nyaywera et al., 2018; Dartey-Baah & Agbozo, 2021). The study population was 31,605 employees from 38 commercial banks in Kenya (CBK, 2021). The study was conducted in Nairobi, where all commercial banks in Kenya have representation. The unit of analysis was the employee (Salkind, 2011). The sample size was 395 respondents obtained using random stratified sampling (Sekaran & Bougie, 2019). Stratified sampling is generally used in quantitative studies to identify a sample that represents as closely as possible the population it is selected from (Terrell, 2016). This study adopted Yamane (1967) formula, to obtain sample from the target population of 31,605 employees of commercial banks in Kenya. Denoted by n as the sample size, Yamane (1967) formula is stated as $n= N/1+N(e)^2$, where N is the population size and e is the margin of error. Therefore, e=0.05, N=31,605, hence $n=31{,}605/1+31{,}605(0.05)^2 =395$.Data was collected using Likert scale questionnaire that was developed by the researcher (Oluwatosin, 2017). The researcher physically delivered the questionnaires to the respondents and picked them after they were filled.

3.0 Findings and Discussion

The study used SPSS version 28.0.0.0 to analyze data. Multiple regression analysis helped to objectively asses the degree and character of the relationship that existed between independent and dependent variables (Sekaran & Bougie, 2019). The objective of this analysis was to make a prediction about the dependent variable based on its covariance with the independent variable of the study. A linear regression model was used because the objective was to test the linear relationship of the variables. Performance of employees was regressed against relational transparency. The hypothesis stated that: there is no statistically significant relationship between relational transparency and performance of employees of commercial banks in Kenya is presented. The analytical models for testing was as follows: $P= \beta_0+ \beta_1 RT + \acute{\varepsilon}$, Where:P= Performance, $\beta_{0=}$ Constant, RT= Relational transparency, $\acute{\varepsilon}$ =Error term. The descriptive purposes of correlation coefficients are to measure the strength and direction of the relationship between variables. The closer the positive or negative correlation coefficient is to +1.00 or -1.00, the stronger the relationship (Aldrich & Cunningham, 2016). All variables of the study have a positive relationship between themselves at a significant level of 0.05.

3.1. Descriptive Analysis of the Sample

Response rate was 91% which surpassed 50% that is considered adequate for analysis and reporting (Babbie, 2008). The gender distribution of the respondents was 210 male (53.2%) and 114 female (46.8%). The age of respondents in years was 31-40 (52%), 21-30 (23.9%), 41-50 (21.1%) and above 50 (2.5%). Length of service in years was1-10 (58%), 11-20 (37.8%), 21-30 (4.1%) and above 30 (1%). Position occupied was as follows: clerical staff 35.4%, management 29.1%, supervisory 25.6% and secretarial 9.1%. Respondents' level of education showed: Bachelors degree 42.9%, Master's degree 27.7%, Diploma 11.7%, professional qualifications 7.9% and PhD 6.1%.

3.1 Regression Analysis

This study considered the effect of relational transparency on employee performance. It is worth noting that the indicators of employee performance are: productivity, efficiency, quality of work and turnover intentions. The objective was to establish the effect of relational transparency on the performance of employees of commercial banks in Kenya. The null hypothesis (H_0) stated that, there is no statistically significant relationship between relational transparency and performance of employees of commercial banks in Kenya. To test the level of relational transparency influence on the performance of employees of commercial banks in Kenya, a simple regression test was performed. The results presented in Table 1show the correlation value was 0.568, which implies a significant relationship between relational transparency and performance of employees. The coefficient of determination was 0.325, which indicates that the effect of relational transparency on performance of employees was 32.5%, while the remaining 67.5 was influenced by other factors. The beta coefficient was 0.480, which shows the amount of change in the dependent variable (Employee Performance) when the independent variable (Relational Transparency) increased by one unit. The significance level was 0.000, which is less than the conventional probability of 0.05. Therefore, the null hypothesis was rejected, hence the study established that there is a statistically significant relationship between relational transparency and performance of employees of commercial banks in Kenya. The results are represented by the following regression model: P= 2.422+ 0.480RT +έ, Where: P=Performance, RT= Relational transparency, έ =Error term.

Results of individual independent variables, namely: openness, truthfulness, self-disclosure and mutual trust are presented in Table 2. These results show that there is no strong correlation between the independent variables taken separately and the dependent variable. Correlation between relational transparency and employee performance is low at .031. The amount of change in the dependent variable that can be attributed to one independent variable is .001, which indicates that 0.1% of the variance in the performance of employees can be explained by the relational transparency behaviour. Therefore, this may not be a good predictor for change in performance of employees when consideration is given to each independent variable. Consequently, ANOVA table presented in Figure 2 indicates that the model cannot accurately explain variation in the dependent variable since the significance value of .986shows that there is a high probability the variation explained by the model is due to chance. The conclusion is that changes in the employee performance may not necessarily be a result of changes in openness (sig. 0.922), truthfulness (sig. 0.875), self-disclosure (sig. 0.921) or mutual trust (sig 0.575). All independent variables are greater than the significance values 0.05, which means the null hypothesis is upheld. The null hypotheses states that there is no statistically significant effect of relational transparency on the performance of employees of commercial banks in Kenya. However, as shown in table 1 when all the four independent variables are present in the leader and efficiently applied it will result in high performance of employees.

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Table1: Regression of Relational Transparency against Employees Performance**Error! Not a valid link.**

Table 2: Regression of Independent variables against Dependent variable

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.031[a]	0.001	-0.010	0.49223

a. Predictors: (Constant), Mutual trust, Openness, Self-

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	0.085	4	0.021	0.088	.986[b]
	Residual	89.405	369	0.242		
	Total	89.490	373			

a. Dependent Variable: Employee Performance

b. Predictors: (Constant), Mutual trust, Openness, Self-disclosure, Truthfulness

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	4.358	0.182		23.915	0.000
	Openness	-0.003	0.030	-0.005	-0.098	0.922
	Truthfulness	0.004	0.024	0.008	0.158	0.875
	Self-disclosure	0.002	0.022	0.005	0.099	0.921
	Mutual trust	0.013	0.022	0.029	0.560	0.576

a. Dependent Variable: Employee Performance

3.2 Correlation Analysis

Correlation coefficient indicates the strength and direction of the relationship between variables, which could be either positive or negative (Cramer, 2009). Table 2 shows a correlation of .570 when relational transparency and employee performance are compared. Thus, the two variables are moderately correlated in a positive direction. The table also indicates that the correlation coefficient of .570 is significant at the .001 level. Therefore, the correlation coefficient of .570 did not occur by chance. These results support the study by Nasab and Afshari (2019), which sought to establish the relationship between relational transparency and performance of employees. Data was from 216 employees of tourism agencies in Guilan province (Iran) using a 19-item questionnaire. The results revealed that relational transparency had a significant effect on performance of employees with a correlation coefficient of .701. On the other hand, Table 4 presents results for each independent variable correlated against employee performance. Open ness correlation coefficient of -.029 is significant at .570; Truthfulness correlation coefficient of -.005 is significant at .928; Self-disclosure correlation coefficient of -.009 is significant at .853 and Mutual trust correlation coefficient of .025 is significant at .624. Therefore, it can be concluded that components of relational transparency have no statistically significant effect on performance of employees, when considered separately.

Table3: Correlation of Relational Transparency and Employee Performance

		Relational Transparency	Employee Performance
Relational Transparency	Pearson Correlation	1	.570**
	Sig. (2-tailed)		0.000
	N	395	395
Employee Performance	Pearson Correlation	.570**	1
	Sig. (2-tailed)	0.000	
	N	395	395
**. Correlation is significant at the 0.01 level (2-tailed).			

Table4: Correlation of Independent Variables and Dependent Variable

		Performance	Openness	Truthfulness	disclosure	Mutual trust
Employee Performance	Pearson	--				
	N	395				
Openness	Pearson	-0.029	--			
	Sig. (2-tailed)	0.570				
	N	395	395			
Truthfulness	Pearson	-0.005	0.037	--		
	Sig. (2-tailed)	0.928	0.459			
	N	395	395	395		
Self-disclosure	Pearson	-0.009	-0.003	0.013	--	
	Sig. (2-tailed)	0.853	0.960	0.796		
	N	395	395	395	395	
Mutual trust	Pearson	0.025	0.046	-0.059	0.040	--
	Sig. (2-tailed)	0.624	0.359	0.246	0.433	
	N	395	395	395	395	395

4.0 Recommendations

A number of recommendations can be made based on the findings of the study. Commercial banks in Kenya should deliberately encourage relational transparency behaviour with all its components namely: openness, truthfulness, self-disclosure and mutual trust. Further, the management of commercial banks ought to emphasize all the components of relational transparency behaviour in order to have strong positive relationships between leaders and employees. Additionally, the management of commercial banks ought to create a highly developed organizational climate for relational transparency behaviour to thrive. Commercial banks in Kenya should embark on inculcating relational transparency behaviour in their leaders by designing training programs that include: openness, truthfulness, self-disclosure and mutual trust

4.1 Areas for Further Study

A similar study can be conducted in other contexts within the banking industry as well as beyond in order to establish the effect of leader relational transparency behaviour on the performance of employees. This study established that the effect of relational transparency on employee performance is only 32%. A further investigation is needed to establish the 67.5% unexplained changes. The study did not establish the effect of individual relational transparency components on employee performance in other contexts. A further study needs to be conducted to establish clearly the level of influence of relational transparency behaviour on performance of employees of commercial banks in other contexts. A further study can also be conducted to establish the true effect of relational transparency on employee performance with addition of a moderating variable in the regression equation. This study adopted a quantitative method and cross-sectional descriptive research design. Future research could consider alternative designs, such as longitudinal research design, which can help to identify cause-and-effect relationships (Saunders et al., 2019). Future research can also consider linking both quantitative and qualitative data to achieve a comprehensive understanding.

5.0 Conclusion

Based on the findings of this study, several conclusions can be drawn. First, relational transparency has a statistically significant effect on the performance of employees of commercial banks in Kenya. However, all the components of relational transparency should be present in the leader. Thus, commercial banks readily commit to self-disclosure in relating with others; are always truthful to their close relations in the bank; often show openness when relating with others and help relations to expose their true self for mutual trust. This study, therefore, concludes that commercial banks in Kenya are expected to increase the effectiveness of their leaders 'relational transparency behaviour. Second, relational transparency strengthens the relationship between leaders and employees of commercial banks in Kenya. Thus, improved relationship is likely to enhance performance of employees through increased productivity, reduced turnover intentions, improved quality of work output and increased efficiency. Finally, relational transparency can only explain 32.5% of change in performance of employees at 32.5%, which means that 67.5% of change in performance remains unexplained. However, the practice of relational transparency behaviour has a significant contribution to the performance of employees of commercial banks in Kenya.

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