

Leadership Essence: A New Way of Inspiring Personnel

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Abstract—

Background and scope- Leadership is seen as a process by which one individual influences others toward the attainment of group or organizational goals. It is a social influence process, which involves voluntary action on the part of followers and it is always purposeful and goal-oriented. Leadership is the process of motivating a group of people to act towards accomplishing a common task. From Mahatma Gandhi and Winston Churchill, to Martin Luther King and Steve Jobs, there can be as many ways to lead people as there are leaders. Businesspeople have developed useful frameworks that describe the main ways that people lead. Leadership can be autocratic, democratic, visionary, goal oriented, affiliative, commanding, transformational etc. In this paper we will focus on transformational leadership and its impact on employees, managers and the organization itself.

James Macgregor Burns in 1978, first introduced the concept of transforming leadership in his descriptive research on political leaders, but this term is now used in organizational psychology as well. Transformational leadership is a style of leadership where one person takes control of a situation and motivates the group to follow. A transformational leader is generally energetic, enthusiastic and possesses a passion for the task at hand. They are not only focused on completing the task but also helping every member of the group to succeed by enhancing their morale. Through their personality, strength of vision and enthusiasm, transformational leaders can make ideal role models. This leadership style requires managers to use their ethics, character, personal integrity, and morality to bring about change in individuals and social systems, optimizing a group's overall performance.

Methodology and objectives- As the paper is conceptual in nature therefore only secondary data is used. Objectives of study are:

- To conceptually understand how transformational leadership helps in organizational transformation.
- To understand the impact of Transformational leadership on individual, team and organizational performance.
- To understand various leadership strategies adopted by organizations to achieve its objectives.
- To understand the influence of Transformational leadership on innovation and motivation among employees.

Expected outcome- The present paper based on conceptual analysis will focus on inspiring people working with organization through effective transformational leadership. Transformational Leadership inspires wholeness of being, so your thoughts, feelings and actions are consistent. This approach to leadership takes us from a

constricting model of competition between individuals, teams or nations, to a connection with the whole of a situation, and leadership for the good of all.

Keywords: Transformational leadership, Autocratic, Influence, Diplomatic, Essence

1. INTRODUCTION

The term leadership holds different meanings to different people. There is no single consensually agreed upon definition of leadership due to its complexity (Yukl, 2002). According to Northouse (2009), "leadership is a process whereby an individual influences a group of individuals to achieve a common goal". Other researchers (Stogdill, 1950; Korman, 1971; Rauch & Belhing, 1984, as cited in Bryman, 1986) defined leadership as the act of influencing the activities of an organized group towards setting and achieving goals. All these definitions saw leadership as a process, and therefore, it can be observed through the ways in which the leader behaves as opposed to viewing leadership as a trait which suggests that some individuals are born with special qualities that makes them leaders (Jago, 1982, as cited in Northouse, 2009).

In order to maximize motivation leaders need to provide an opportunity for employees to satisfy the four drives: Acquire & Achieve, to Bond & Belong, to be Challenged & Comprehend, and to Define & Defend. Leader's can begin to influence and start to fulfill each of these drives by using some of the systems and processes they already have in place. Alterations and enhancements to those systems and processes can help the organization be one in which employees can satisfy their drives and become highly motivated!

Leadership Theories

There are several theories of leadership put forward by experts. Theories are commonly categorized by which aspect is believed to define the leader the most. The most widespread one's are: Great Man Theory, Trait Theory, Behavioural Theories, Contingency Theories, Transactional Theories and Transformational Theories.

1. Great man theory:

The Great Man theory assumes that the traits of leadership are intrinsic. That simply means that great leaders are born...they are not made. This theory sees great leaders as those who are destined by birth to become a leader. Furthermore, the belief was that great leaders will rise when confronted with the appropriate situation.

2. Trait theory:

The trait leadership theory believes that people are either born or are made with certain qualities that will make them excel in leadership roles. That is, certain qualities such as intelligence, sense of responsibility, creativity and other values puts anyone in the shoes of a leader. The trait theory of leadership focused on analyzing mental, physical and social characteristic in order to gain more understanding of what is the characteristic or the combination of characteristics that are common among leaders.

3. Behavioural theories:

In reaction to the trait leadership theory, the behavioural theories are offering a new perspective, one that focuses on the behaviours of the leaders as opposed to their mental, physical or social characteristics. **Two theories are associated with it: The managerial grid model and role theory.**

4. Contingency theories:

The Contingency Leadership theory argues that there is no single way of leading and that every leadership style should be based on certain situations, which signifies that there are certain people who perform at the maximum level in certain places; but at minimal performance when taken out of their element. **Associated theories are: Fiedler contingency theory, Hersey-Blanchard situational leadership theory, Path goal theory and Cognitive resource theory.**

5. Transactional leadership theories:

Transactional theories, also known as exchange theories of leadership, are characterized by a transaction made between the leader and the followers. In fact, the theory values a positive and mutually beneficial relationship. **Associated theory is Leader-Member exchange theory.**

6. Transformational leadership theories:

The Transformational Leadership theory states that this process is by which a person interacts with others and is able to create a solid relationship that results in a high percentage of trust, that will later result in an increase of motivation, both intrinsic and extrinsic, in both leaders and followers.

Associated theories are: Burns transformational leadership theory, Bass transformational leadership theory, Kouzes and Posner's leadership participation theory.

2. OBJECTIVES

The most common objectives of the study are:

- 1. To conceptually understand how transformational leadership helps in organizational transformation:** The theory of transformational leadership elucidate the leadership role and importance and Butler, Cantrell, and Flick (1999) explains the infant ideas of transformational leadership and then its ultimate effect on the political and the other writer Bass linked the role of transformational leadership within the organization and its performance as well as with the employees trust.
- 2. To understand the impact of transformational leadership on individual, team and organizational performance:** organizations are able to facilitate team creativity and innovation by stimulating both support for innovation and climate for excellence. As transformational leadership was shown to predict support for innovation, organizations can influence supportive behavior for innovation by promoting a transformational leadership style among team leaders through selection and leadership development programs. Previous research has shown that transformational leadership can be trained in focused training programs (Avolio, 1999; Barling, Weber, & Kelloway, 1996).
- 3. To understand various leadership strategies adopted by organizations to achieve its objectives:** A leadership strategy makes explicit how many leaders we need, of what kind, where, with what skills, and behaving in what fashion individually and collectively to achieve the total success we seek. A good leadership strategy takes all of these factors into account. Simply having all of the leadership positions on the organization chart filled will not produce the leadership that is required to implement strategies, adapt to change, support innovation or other important organizational agendas. It is not just having the right number of bodies, it is what those bodies do and how they relate to one another that matters.
- 4. To understand the influence of Transformational leadership on innovation and motivation among employees:** Motivation is a goal-oriented characteristic that helps a person achieve his objectives. It pushes an individual to work hard at achieving his or her goals. An executive must have the right leadership traits to influence motivation. However, there is no specific blueprint for motivation. As a leader, one should keep an open perspective on human nature. Knowing different needs of subordinates will certainly make the decision-making process easier. Both an employee as well as manager must possess leadership and motivational traits. Many people often use the terms management and leadership interchangeably, but they are really two completely different concepts. Unlike management, leadership is a vocation rather than a position. While management can be assigned or chosen, leadership is

something to which someone must be called. A person who takes a leadership position so they may assume a particular status or control within an organization is a manager—not a leader. While management and leadership have many similar characteristics, the motivations of practitioners are very different. According to Daft (2008), the purpose of management is “the attainment of organizational goals in an effective and efficient manner through planning, organizing, staffing, directing, and controlling organizational resources” (p. 14). Managers seek stability in an organized environment in order to control the organization’s bottom line. The motivation for management is power and profit. Leadership is different because it is “an influence relationship among leaders and followers who intend real changes and outcomes that reflect their shared purposes” (Daft, 2008, p. 4). Leaders provide a vision for the future of the organization and often question the way things are done.

3. TRANSFORMATIONAL LEADERSHIP (REVIEW OF LITERATURE)

Transformational leadership, Prof. Dr. Didier Cossin & Dr. Jose Caballero

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Simola et al. (2012) define transformational leadership as a type of leadership in which interactions among interested parties are organized “around a collective purpose” in such a way that “transform, motivate, and enhance the actions and ethical aspirations of followers.” Transformational leadership is a leadership style that seeks positive transformations “in those who follow” and that achieves desired changes through the “strategy and structure” of the organization (Geib and Swenson, 2013).

According to Bass (1990), transformational leadership is characterized by several patterns of behavior. First, transformational leadership employs the charisma of leaders in order to gain the respect and trust of stakeholders and to instill pride in the latter. In addition, charisma underlines the provision of a common vision and sense of mission necessary for the transformation. The second characteristic is inspiration through which leaders employ symbols to redirect followers’ efforts; they express in a simplistic manner the fundamental purpose of the transformation process, and clearly communicate the accompanying higher expectations. The third characteristic is intellectual stimulation. Leaders intellectually stimulate employees by emphasizing rationality and creativity in problem-solving situations. Finally, transformational leadership offers individualized consideration: leaders treat employees individually offering them personal attention and, whenever necessary, they provide coaching and advise to those employees.

Transformational leadership can be contrasted with transactional leadership. The latter implies leadership based on an exchange process wherein autonomous agents may benefit, which in turn implies reciprocity (Simola et al., 2012). Bass (1990) indicates

that transactional leadership can be characterized by several elements not necessarily mutually excluding. The first dimension is that of contingent rewards or the recognition of achievement by rewarding efforts and good performance. The second is active management by exception which is directed at managing the process. Leaders monitor the lack of compliance with established rules and standards, and when required undertake corrective measures. Transactional leadership can also focus on passive management by exception. In the latter, leaders are meant to intervene only in cases in which set objectives are not achieved. The last characteristic of transactional leadership is *laissez-faire* in which leaders avoid making decision and those involved in the process relinquish all responsibilities. Scholars make further distinctions in leadership styles by elaborating on some of the components of Bass’ taxonomy. Chu et al. (2009), for example, elaborate the concept of charismatic leadership. This is a value-based style that leads to emotional bonds between leaders and followers. The latter transcend their self-interests because of their belief in a collective purpose. Such transcendence results from the followers’ identification and internalization of the vision and values of the leader. A charismatic relationship thus implies trust, respect, admiration and commitment to the leader. Charismatic leadership is an empowering style with a view to the future of the organization (Conger and Kanungo, 1998; cited in Eagly et al., 2003). According to Murphy and Ensher (2008) charismatic leaders achieve targeted transformation because of the following characteristics: “strategic visioning and communication behavior, sensitivity to the environment, unconventional behavior, personal risk, and sensitivity to organizational members’ needs, and deviation from the status quo.” Similarly, Eagly et al. (2003) further distinguish *laissez-faire* leadership and indicate that this type of leadership is characterized by the avoidance of any involvement in critical situations and the “general failure to take responsibility for managing.”

Transformational leaders are able to articulate the organization’s common purpose in a way that emphasizes the social dimension of the process: the impact of one individual’s actions on the greater group beyond the firm. The vision thus clearly accentuates the meaningfulness of the consequences of each action for the organization and its stakeholders (Grant, 2010). In so doing, the transformational leader encourages others to adopt the transformation process as their-own and thus allows for the attainment of the targeted transformation. To put it sharply, the success of the transformational leaders is defined by their ability to offer others something that goes beyond self-interest: they provide other with “an inspiring mission and vision and give them an identity” (Geib and Swenson, 2013).

Employees’ job satisfaction impacts the performance of the organization. In this context, transformational leaders play a fundamental role. Job satisfaction arises as leaders enable their employees to fulfill some basic needs; for example, the need to contribute to greater causes and the need for meaning in their activities. In doing so, leaders positively affect their staff’s performance by way of increased creativity and engagement (see Stevens, 2010). In short, transformational leadership imbues organizational tasks and jobs with meaning ultimately increasing the staff’s satisfaction which, in turn, can have a determinant effect in the successful performance of the organization.

Transformational Leadership: The Impact on Organizational and Personal Outcomes, Roger J. Givens, Regent University

Transformational leadership theory has captured the interest of many researchers in the field of organizational leadership over the past three decades. This theory was developed by Burns (1978) and later enhanced by Bass (1985, 1998) and others (Avolio & Bass, 1988; Bass & Avolio, 1994; Bennis & Nanus, 1985; Tichy & Devanna, 1986). The major premise of the transformational leadership theory is the leader's ability to motivate the follower to accomplish more than what the follower planned to accomplish (Krishnan, 2005). Transformational leadership has four components: idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration (Bass, 1985). Burns postulated that transformational leaders inspire followers to accomplish more by concentrating on the follower's values and helping the follower align these values with the values of the organization. Furthermore, Burns identified transformational leadership as a relationship in which the leader and the follower motivated each other to higher levels which resulted in value system congruence between the leader and the follower (Krishnan, 2002).

Transformational leadership has been associated with the personal outcomes (Hatter & Bass, 1988; Barling, Moutinho, & Kelloway, 1998; Kirkpatrick & Locke, 1996) of the follower as well as organizational outcomes (Boerner, Eisenbeiss, & Griesser, 2007; Zhu, Chew, & Spangler, 2005; Jorg & Schyns, 2004; Barling, Weber, & Kelloway, 1996; Howell & Avolio, 1993). Research has shown that transformational leadership impacts follower satisfaction (Hatter & Bass; Koh, Steers, & Terborg, 1995) and commitment to the organization (Barling et al., 1996; Koh et al.). Research has also shown that transformational leadership impacts employee commitment to organizational change (Yu, Leithwood, & Jantzi, 2002) and organizational conditions (Lam, Wei, Pan, & Chan, 2002). Due to its impact on personal and organizational outcomes, transformational leadership is needed in all organizations (Tucker & Russell, 2004).

The influence of transformational leadership on team innovation and performance, Tan aiwah, Sains Malaysia University, 2010

The globalized, fast-paced world today calls for organizations to adapt the way they conduct their business and to promote change in order to remain competitive. Expectations are high for organizations to continuously innovate and produce even better products and services. An organization's flexibility in adapting to changes rapidly is one of the core requirements for businesses to gain or maintain their competitive advantage. The present study was undertaken with the aim of studying the relationship between transformational leadership and team performance, and how team innovation mediates that relationship. Based on the results of this study, it was found

that transformational leadership, namely the *individualized consideration* factor, significantly influences team performance in a positive manner. There was also a partially positive and significant relationship between transformational leadership and team innovation. In addition, team performance was predicted by team innovation, namely the *vision* and *support for innovation* factors. The mediation test showed that team innovation played a partial mediating role in the relationship between transformational leadership and team performance. All in all, this study provided several implications to existing and aspiring managers and leaders, in organizations aiming to improve their innovative efforts and performance.

There are several theories on leadership. The transactional and transformational leadership theories were introduced by Burns (1978) when he depicted leadership on a spectrum with both those theories located at opposite ends of that leadership spectrum. The transactional leadership theory is based on the hypothesis that followers are motivated through a system of rewards and punishment. Transactional leaders promote stability and focus on defining roles and task requirements and offering rewards that are contingent on task fulfillment (Lussier & Achua, 2009). Hence, transactional leadership may not fit the needs of organizations looking to drive innovative efforts with the aim of ultimately enhancing their performance. On the other hand, transformational leadership occurs when leaders inspire their followers to act and create a higher sense of purpose. Transformational leaders aim to change the status quo by articulating to their followers the problems or opportunities for improvement and a compelling vision. Since the 1980s, research have found that transformational leadership is more effective than transactional leadership in generating the extra effort, commitment and satisfaction of those led (Avolio & Bass, 2002).

Transformational Leadership: What's Your Motivation? Eileen DesAutels Wiltshire, Leadership advances online – Issue XXII © 2012 School of Global Leadership & Entrepreneurship, Regent University, ISSN 1554-3757, www.regent.edu/lao

Change is one of the primary motives behind transformational leadership. According to Daft (2008), transformational leadership is "characterized by the ability to bring about significant change in followers and the organization" (p. 356). These types of leaders intend to stimulate the growth and development of their followers, their organizations, and themselves. When transformational leaders look at their followers, they see the next generation of leaders. Transformational leadership differs from other kinds of leadership because practitioners demonstrate a real concern for the needs of their followers (Daft, 2008). Winston (2002) asked followers to "consider what it would be like to work for a leader who was so concerned about you that he treated you as a co-worker, and cared so deeply about you that he made

decisions with your best interests in mind". That is what transformational leaders do. In addition to ensuring that followers have a positive work environment and are properly compensated for their contributions, transformational leaders strive for followers to feel that they are valued members of the organization. For transformational leaders, followers are more than just employees; they are people. Transformational leadership focuses on what is in the best interest of the group as a whole, rather than what only serves the individual. There is a team spirit and camaraderie among groups that are guided by transformational leadership. According to Bass (1985), "The transformational leader can move those influenced to transcend their own self-interest for the good of the group, organization, or country". Above and beyond personal performance and achievement, one of the objectives of transformational leadership is for everyone, for the group as a whole, to be successful. According to Senge (2006), while too many people strive for their own personal success at the expense of those around them in many situations "in order for you to succeed, others must succeed as well."

"Transformational leadership may result ultimately in a higher level of satisfaction and effectiveness among the led". Since most organizations truly desire effective and successful employees for the overall success of the organization, the use of transformational leadership methods provide a win for both the organization and the individual leader and followers.

Transformational leadership and team innovation: integrating team climate principles, *Journal of applied psychology*, Silke A Eisenbeiss & Sabine Boerner, University of Konstanz, 2008

Fostering team innovation is increasingly an important leadership function. However, the empirical evidence for the role of transformational leadership in engendering team innovation is scarce and mixed. To address this issue, the authors link transformational leadership theory to principles of M. A. West's (1990) team climate theory and propose an integrated model for the relationship between transformational leadership and team innovation. This model involves support for innovation as a mediating process and climate for excellence as a moderator. Results from a study of 33 research and development teams confirmed that transformational leadership works through support for innovation, which in turn interacts with climate for excellence such that support for innovation enhances team innovation only when climate for excellence is high. The present study aims to show that by more explicitly integrating insights from team research we can address core questions about the relationship between transformational leadership and team innovation. Research in team climate in particular has identified two main factors that are conducive to team innovation: support for innovation and climate for excellence.

4. CONCLUSION

The term "leader" connotes images of powerful and dynamic individuals who command victorious armies, direct corporate

empires, or shape the course of nations. The wide-spread fascination with leaders may be because leadership is such a mysterious process, as well as one that touches everyone's lives. We know leadership when we see it. But just what are the key ingredients of powerful leaders? Great leadership seems easy to recognize, and you usually can tell when someone is lacking in leadership qualities. But how do you define it? This is a critical question both for selecting and developing your subordinates, and for developing your own leadership capabilities. In a sense, great leaders have to be ambidextrous. On the one hand, they have to be able to execute capably within the current business paradigm, "the way we do business." On the other hand, they must be able to reflect on the current paradigm, find ways to fundamentally improve it, and manage the large-scale change to a successful conclusion. You need two hands, and a lot of commitment, to change the propeller on the airplane in mid-flight, but that capability is the essence of successful leadership.

Transformational leadership is defined as a leadership approach that causes change in individuals and social systems. In its ideal form, it creates valuable and positive change in the followers with the end goal of developing followers into leaders. Enacted in its authentic form, transformational leadership enhances the motivation, morale and performance of followers through a variety of mechanisms. These include connecting the follower's sense of identity and self to the mission and the collective identity of the organization; being a role model for followers that inspires them; challenging followers to take greater ownership for their work, and understanding the strengths and weaknesses of followers, so the leader can align followers with tasks that optimize their performance.... Best practice management involves balancing the transactional and transformational elements of the leader's role, bearing in mind the need to be attentive to detail and also to adjust constantly to new challenges, changing circumstances and the influence of internal and external stakeholders. Leadership must take account of the impact of the immediate and surrounding context. Context refers both to the immediate locality, office or workplace and also to the broader culture on an organizational and even countrywide basis.

In today's world, any analysis of leadership requires not only exploration of what makes the leader function but equally requires an examination of the culture and context of an organisation, which includes followership. For leaders the way forward is to focus on context and culture of organization to improve the effectiveness and efficiency of employees, managers and the whole organization.

The locus of ethical responsibility, in effect, lies with the leaders of an organisation, whose passion, actions and concern for particular standards, determine the nature of the norms of a that organisation. Good leadership is the essential agent for effective application of governance in any organisation. Leaders exercise social power and, in so doing, apply social

responsibility. Their true sense of social responsibility is important for them to recognize, as their potential influence on others is profound. Some have argued that the pursuit of profitability corrupts. It does not, but the denial of hypocrisy does!

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