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DEVELOPING A TRANSFORMATIONAL LEADERSHIP STYLE TO FIT THE 21ST CENTURY

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ABSTRACT

The aim of this paper is to explore leadership styles and identify a preferred leadership style to fit the 21st century needs within the business environment. The concept of leadership, as represented by theories, applications and practices, has been around for thousands of years and yet scholars and academics are still unable to contain it in a single definition which all people in various levels of life can agree with and embrace without doubt or reservation. However, leadership is continuously evolving, and, above all else, it seems to be depending on when, how and why a person looks at it. It is a complex concept, with many applications, and the results that it creates depend highly on the context in which it is being observed or applied. This study addressed the lack of leadership, together with its challenges and complexities emanating from its evolution as observed in family structures, communities, organizations and nations today, particularly in Africa in a global context. Until the gap of leadership is appropriately addressed, nothing will be adequately managed or resolved. Everything in human life starts with situational leadership, and everything demands the service of leadership which is relevant to its given

needs, demands, expectations and contexts. The study used a content analysis research method, which reviews documents and communication artefacts, texts of various formats, pictures, and audio or video recordings to elicit data. Social scientists use content analysis to quantify patterns in communication, in a replicable and systematic manner. The study found that effective leaders can be described as transformational. When a transformational leader interacts with organizational stakeholders in the same manner as he does with employees, the study found that customer retention is achieved, while cost containment is kept at balance. The study made a number of recommendations for thought leaders to consider when implementing change and further recommendation on research on the subject matter.

Keywords: leadership, management, organisations, transformational leadership style

1. INTRODUCTION

1.1 Background

The lack of grounded confidence in management and leadership strategies has grown over the past decade. There is a growing distance between leaders and their followers in various operational levels, a lack of transparency in decision-making and a lack of consistency between what leaders' value and the behaviour they display. Leadership lacks inspiration, especially in times of change. The transformational leadership literature draws attention to the fact that the wide range of factors affects employees. Their leaders, who hope to initiate change in organisations and generate follower acceptance, face a daunting task (Kavanagh & Ashkanasy, 2006; Michela & Burke, 2000). Early research that built on the Great Man Theory of Leadership (Judge, Bono, Llies & Gerhardt, 2002) emphasized that for leaders to be effective, they must behave differently in different situations. This demands and expects leaders to be adequately dynamic and appropriately responsive to their given situations and environments.

Transformational Leadership positively affects a wide range of individual and organisational outcomes in a variety of contexts, including business (Jung, Chow & Wu, 2003), the public sector (Rafferty & Griffin, 2004) and education (Kevin, Lowe, Kroeck & Sivasubraniam, 1996). According to Humphries, Cobia and Ennis (2015), scholars had described today's business world as unpredictable and complicated, making it a challenge to manage change. This illustrates the reality that there are apologies, short-cuts or excuses acceptable in leadership.

Steward (2006) wrote extensively on the concept of transformational leadership, taking note of Maslow's Theory of Human Needs. This theory recognizes that people have a range of needs, and the extent to which they will perform effectively in the workplace will be affected by the extent to which these needs are satisfied. Transformational leadership fits into the higher levels of human needs, as it requires a high level of self-esteem and self-actualization to successfully be an authentic transformational leader.

In the South African public service, leadership is a sensitive matter on the agenda of professional interest groups, institutions, corporates and societies. Authors such as Bass and Avolio (1994), and recently Abu-Hussain (2014), advocated the idea that transformational leaders play a pivotal role in desensitising issues related to complexities in leadership, and as such could raise subordinate performance to an acceptable standard, as postulated by Burns (1978). The United Nations Department of Economic and Social Affairs (2019) highlighted that for the public-sector organisations to survive and succeed in today's unstable ever-changing environment, they need the character and representation of people who operate within the framework of rule of law and are able to apply transformational leadership skills when tackling extra ordinarily difficult challenges. Groenewald and Ashfield (2008) argue that transformational leaders could reduce the effects of uncertainty and change, which come with new leaders, and help employees to achieve their objectives. This underlines the fact that leadership is a modelled and learned reality of human life.

1.2 Driving change with empathy and humanity

Time moves on, circumstances change and the world is transformed in shape, direction and expectations. This new world calls for new skills, as directed by contextual realities. In order to overcome complexity, leaders at various levels must display behaviours that are geared more towards approachability, empathy, innovation and inspiration. A leader is someone who creates a vision, but the vision must be co-created and expressed in the form of a common and encouraging future, otherwise there is a risk of disengagement. When an organisation faces uncertainty, meaning must be given by reminding employees of the company's mission and its values. The mission and vision must always enrich each other, because the mission outlines the steps and activities which must be undertaken in order to reach the vision, which is the bigger picture. The values are the adopted underlying principles informing and directing the ways of thinking, talking and acting in the given organisation. These three components formulate, postulate and protect organisational culture. They give it its unique character, as distinct from others.

Along with the ability to think big and act decisively, leaders must also have and display mental and emotional strength in their convictions, assertiveness and simplicity, in order to help teams to see themselves as having a future together. Leadership is a process of influencing others. The mere use of authority by managers may lead to results. But when managers' authority is enriched with good leadership focused on taking the followers on-board and lifting their sense of self-awareness, employees start co-operating and their performance is enhanced. According to Thompson, Strickland and Gamble (2007), the managerial process of crafting and executing company strategy consists of five interrelated and integrated phases:

- Developing a strategic vision of where the company needs to move up to, and what its future market/product/customer technology focus should be.

- Setting objectives and using them as yardsticks for measuring the company's performance and progress.
- Crafting a strategy to achieve objectives and move the company along the strategic course that management has chartered.
- Implementing and executing the chosen strategy efficiently and effectively.
- Evaluating Performance and initiating corrective adjustments in the company's long-term direction, objectives, strategy or execution in the light of actual experience, changing conditions, new ideas and new opportunities.

These steps and activities ensure that change is initiated, implemented, supported, monitored and continuously assessed to ensure that the organisation performs maximally. They create dynamic interactions and collaborations between all participants in various levels. All people involved come to know what is expected from them and what their roles and contributions are in the organisation.

2. LITERATURE REVIEW

2.1 Understanding corporate culture

According to Schein (1990), corporate culture is a pattern of basic assumptions that are invented, discovered or developed by a given group as it learns to cope with its problems of external adaption and internal integration that have worked well enough to be considered valid. These adopted assumptions are deliberately and consciously taught to new members as the correct way to think, perceive and act in relation to challenges in given or specific situations.

Schein (1990:111) makes the following observations about corporate culture:

- It is a shared, common frame of reference respected and followed within the organisation. Although it may be largely taken for granted, it is shared by a significant portion of organisational members.
- It is acquired and it governs. In and through this character, it is therefore socially learned and transmitted by members and provides them with directives and rules for their organisational behaviour.
- It provides guidance to the way things are done in given situations. This assists to outline what is acceptable and what is not, with conditions attached. People feel safe, protected and confident, as they know the scope of their defined operational boundaries.
- It is modifiable, but not easily so. It creates a dynamic platform for continuous internal assessment, modification and improvement. This supports guided growth and situational relevance as informed by needs, demands and expectations.

It is not possible to meaningfully understand an organisation and transform it towards growth and maximum performance without first understanding its corporate culture. Attention should be given to both what the culture is and what it is not. Any action towards change must accommodate these factors within and outside the organisation. For it to be effective and sustainable, all participants need to be educated about the need, value, process and significance of the change.

2.2 Key factors in cultural change

Jung et al. (2003) postulated the following key factors which should never be ignored or taken for granted in attempt to change or transform any organisational culture:

- Understand the old culture – Managers cannot change until they know where the organisation comes from and where it is currently. This creates a grounded room for any new idea to be accommodated.

- Follow outstanding units – Care must be taken that outstanding units are recognised and they are used as a model of change. This ensures that strong foundations and existing pillars are protected and extended accordingly.
- Encourage change in employees – Individualised and collective efforts must be done to ensure that people realise and accept the need, value and significance to change towards new change of doing things. Systematic and developmental education is recommended because no force or coercion is advisable.
- Do not impose cultural change – Let employees be involved in finding their own approaches to initiate, accommodate and sustain change. This will create a new awareness in people which will give birth to the new, improved, desired culture.
- Lead with Vision – When people see, understand and accept the projected bigger dream of the organisation, they will want to be part of it without reservations. Vision gives hope above the limitations of situations and circumstances. It creates mental and emotional stability, and empowers maximum performance.
- Live the new culture – Once the transition from the old culture to the new has been undertaken, there must be clear lines of distinction between how things were done then, how things are done now and how things will be done in the future. No grey area or unnecessary confusion must be allowed. The new culture must be practiced and lived to its fullest, without any compromise.

Change is always difficult, painful and it takes time. Although time frames are important, patience and care must be emphasised, without losing focus of the bigger picture. Continuous assessment and reflections must be done at various levels. Any feedback must be followed and utilised accordingly.

2.3 Organisational diagnosis

Diagnosis has been described by Farias and Johnson (2000) as the collection of data on systems, processes, culture and other factors. This illustrates that for diagnosis to take place and be effective, all relevant variables and factors about the organisation need to be collected, analysed and interpreted within a given context. Furthermore, Beer, Eisenstat and Spector (1990) see diagnosis as a method of analysing organisational problems and learning new patterns of behaviour. The aim of diagnosis is studying the organisation's current situation and its desired future state. Diagnosis identifies the strengths, opportunities and problem areas in an organisation. A swot analysis will provide answers to these questions by outlining strengths, weaknesses, opportunities and relevant actions to be performed. This analysis forms specific interventions and action plans. If the diagnosis is not correctly done, any action to follow will be irrelevant and useless. Adequate time, resources and experience must be satisfactorily utilised to ensure that this is well done to the benefit of the organisation.

2.4 Resistance to change

Processes of change always experience resistance, in various forms, for various reasons. Informed conceptualization and explanation of resistance to change help to understand how strategies come about in organisations. Faced with the needs and pressures of change, leaders are likely to deal with situations in ways which are in line with the paradigm, culture, social and political norms of the organisational life. This raises difficulties when managing strategic change, as it may be that the action required is outside the scope of the paradigm and constraints of the given cultural web under which members of the organization would be required to change substantially their core beliefs or the way things are done there.

2.5 Principles of leading Change Management

In order to be able to initiate, influence and/or direct change in a meaningful way, there are some guidelines which will have to be followed. According to Booz and Company (2004), the following are some principles of leading change management:

- Lead with Culture – Organisational culture should never be taken for granted as a key factor for or against change. While accommodating it is critical to successful change management, change leaders often fail to address culture in terms of either overcoming cultural resistance or making the most of cultural support.
- Start at the top – Although it is important to engage employees at every level early on, all successful change management initiatives start at the top, with a committed and well aligned group of manager or executives supported by the most senior accounting officer. This alignment can't be taken for granted, instead thorough work must be done in advance to ensure everyone agrees about a case for change and the particulars for implementing it.
- Make the rational and emotional case together – Feelings and emotions of affected participants must be considered and be accommodated as much as is possible. This underpins the power of transparent communication. Human beings respond to calls to action that engage their hearts as well as their minds, making them feel as if they're part of something consequential. The unnecessary mistake of Leaders is that they often make the case for major change on the sole basis of strategic business objectives such as: "We will enter new markets" or "We will grow 20 percent a year for the next three years." Such objectives are fine as far as they go, but they rarely reach people emotionally in a way that ensures genuine commitment to the cause.

- Lead outside the lines – Change has the best chance of cascading through an organisation when everyone with authority and influence is involved. In addition to those who hold formal positions of power – the organisation or company’s recognized leaders – this group includes people whose power is more informal and is related to their expertise, to the breadth of their network, or to personal qualities that engender trust. These are called the ‘informal leaders’ special forces, and can be found throughout any organisation (Booz & Company, 2004).

If carefully followed, these guidelines can and will ensure successful transition towards desired change. Continuous checking, evaluation and assessment must be undertaken from every step to another. This requires directed patience and informed maturity.

2.6 Empowering employees through change

Research has shown that when people are empowered to make decisions and take initiatives, the organisation benefits maximally. Leaders of the best-run organisations know that empowering people creates positive results that are not possible when all of the authority has moved up the hierarchy and managers shoulder all the responsibility for success. For many leaders, it is hard to change to a mindset that shifts responsibility to their people. Empowerment means letting others become experts, even if this means that they may or will surpass abilities of their leaders. In this way, leaders will encourage their team members to take a personal interest in their own development and the team’s success (Brown & Katz, 2011).

Brown and Katz (2011) further posit that the process of empowering employees involves getting them included in decision-making on what is affecting their line of work. Each individual is of the most critical elements in any large-scale organisational change. Central to empowerment are the following:

- Delegation of power and decision-making for lower levels – This demonstrates a show of confidence and an open invitation to share in accountability.
- The promulgation of a shared vision of the future – This removes fear and resistance, while motivating all people to be actively involved.
- Engaging all employees so that they develop a personal sense of pride, self-respect, and responsibility – This endorses the principle of collective leadership and grounded accountability shared by all participants.

Employees who are empowered are more proactive and self-sufficient. In many organisations, employee empowerment has become a basic cornerstone of change and development programmes. Brown and Katz (2011: 243-245) drew attention to the fact that empowerment concepts are interwoven through organisational development interventions that includes:

- Team and system interventions, which focus on how individuals perform in their given systems.
- Total quality Management, which focus on the bigger picture behind the need and rational for existence of the organisation.
- Self-managed work teams and learning organisations, which focus on the levels of development and performance of individuals and collective teams within given organisations.
- High-Performance systems, which focus on the indicatives and imperatives illustrating maximum performance in an organisation.

Empowered employees are short-term and long-term assets to an organisation. They contribute towards self-managing organisational culture and lighten the workload of senior leaders. This creates and sustains collective leadership and shared accountability.

2.7 The role of efficiency in leadership and Change Management

Delegation improves efficiency when it allows work to be transferred to people, particularly to those whose skills are a better match for the work. Leaders are in charge of planning and strategizing the next steps of their team. When their teammates are able to carry out most of the routine activities required of their team, it will allow them the time and effort needed to plan for their team's next move. Efficiency may also lessen the stress of leaders (Bass, 1985).

2.7.1 Benefits of effective leadership

Effective leadership improves the motivation and morale of employees (Ferrin & Dirks, 2002; House & Aditya, 1997). Successful leaders influence the behaviour of individuals. They enhance the levels of involvement of the individual employees in their work. Even in a situation of crisis, a leader can sustain high levels of commitment and motivation from employees, which may ultimately help an organization to turn around. That is the reason great leaders are considered as turnaround agents in an organisation.

Fleishman and Quaintance (1984) argue that effective leadership leads to higher performance. It motivates the group to strive for achieving the result of achieving organisational goals. Through increasing levels of commitment and motivation, a good leader leads employees to higher levels of performance. Higher performance leads to increased productivity which results in increased profitability, even in a competitive market. Organisations of the 21st century need to quickly respond to change in technology, process, methods, and plans (including strategic plans), and always respond proactively to resistance from employees. Effective leadership can play a role in implementing change in organisations by creating a conducive environment since people follow leaders by emulating the examples set by their leaders. This results in a smooth and successful change process.

2.7.2 Benefits of transformational leadership style

Lim and Ployhart (2004) argued that the transformational leadership style draws on assorted capabilities and approaches to leadership, creating distinct advantages for the organisation. A leader using this approach possess integrity, sets a good example and clearly communicates his/her goals to his followers. He/ she expects the best from them and inspires people to look beyond their own interests and focuses on the interest and needs of the team. Such a leader provides stimulating work and takes the time to recognize good work and good people.

The advantage of the transformational leadership style is the leader's ability to retain employees and customers. The transformational leader fully engages with people and seeks to satisfy their needs while also achieving the organization's needs, without compromising or taking any of these needs for granted (Burns, 1978). Lower turnover means less hiring and less training resulting in massive savings for any organisation. When a transformational leader interacts with customers in the same effective manner, he/she retains customers, potentially limiting cost of constantly marketing for and selling new customers. The transformational leader empowers employees to make changes themselves and realize their full potential. This gives the business the advantage of superior employee performance.

3. RESEARCH METHODOLOGY

The study used a content analysis research method. Content analysis is a research method for studying documents and communication artefacts, which can be texts of various formats, pictures, audio or video. Social scientists use content analysis to quantify patterns in communication, in a replicable and systematic manner. One of the key advantages of this research method is to analyse social phenomena in a non-invasive way, in contrast to simulating social experiences or collecting survey answers. Practices and philosophies of content analysis vary between scholarly

communities. They all involve systematic reading or observation of texts or artefacts which are assigned labels (sometimes called codes) to indicate the presence of interesting, meaningful patterns (Costak, 2019).

After labelling a large set of media, a researcher is able to statistically estimate the proportions of patterns in the texts, as well as correlations between patterns. Computers are increasingly used in content analysis, to automate the labelling (or coding) of documents. Simple computational techniques can provide descriptive data such as word frequencies and document lengths. Machine learning classifiers can greatly increase the number of texts which can be labelled, but the scientific utility of doing so is a matter of debate.

4. FINDINGS

After careful consideration and methodical evaluation of data collected through desktop research, the following were key themes that emerged from analysed data:

- The likelihood of achieving fundamental strategic changes was low, even where there was clear direction for change establishment. This finding was observed in situations where climate for change was non-existent.
- The researcher also observed that the acceptance of climate for change is largely dependent on perceived needs for change or significant triggers such as a crisis or major threat.
- Further evidence has been observed suggesting that some experienced leaders chose to fabricate or enhance organisational stimuli to create a climate suited for more fundamental questioning of that which is taken for granted. This tendency may include inflating internal negative performance indicators to challenge the *status quo*.

- The bottom line is that change does not and will not just happen on its own. It requires some people to create favourable conditions initiated and finally directed towards desired outcomes.

In view of these findings and thorough assessment, it became clear that companies who employed the following techniques seemed to be containing and managing common repercussions associated with change issues:

- Companies that co-created visions and shared goals achieved collective leadership and accountability at all organisational levels. Research shows that to overcome complexity leaders must display behaviours that are geared towards more approachability, empathy, innovation and inspiration. A leader is someone who creates a vision but the vision must be co-created and expressed in the form of a common and encouraging future, otherwise there is a risk of disengagement. When an organisation faces uncertainty, meaning must be given by reminding employees of the company's mission and its values.
- Leaders of organisations who led with situational flexibility and contextual relevance were able to quickly respond to demanding changes at micro and macro levels. It was further observed as espoused by Burns (1978) that these leaders adopted transformational leadership style and this was found to be key in creating and sustaining a high-performance organisational culture.
- A leadership style that is transformational was further seen to be effective in stress reduction and mitigation of employee resistance as a result of its consultative nature at various levels of employee operations. That consultation paradigm is attributable to tension reduction between both managers and employees.
- Compliance to guidelines without compromise was believed to be a suitable panacea for company-wide implementation of change and adoption of transformational leadership within all ranks of the organisation.

5. CONCLUSIONS AND RECOMMENDATIONS

To conclude, employees are more likely to feel individual and collective sense of appreciation and belonging and stay with the organisation when they report to a transformational leader. Less turnover means less hiring and less training, resulting in a massive savings for the business. When a transformational leader interacts with customers in the same effective manner, he/she retains these customers, potentially limiting the cost of constantly marketing for and selling new customers. Organisational leaders need to consider the purpose of team development and incorporate that into team development interventions. Leaders also need to reflect on the outdoor laboratory process.

The transformational leader empowers employees to make changes themselves and realize their full potential. This provides organisations the advantage of growth, development and superior employee performance.

5.1 Recommendations for further research

This article highlighted the importance of transformational leadership and organisational culture sensitivity for the 21st century organisation. The findings of this study indicated both the relevance of the current study and for further research to be conducted in the following areas:

- Sources of team problems
- Driving forces towards acceptance of change
- Blocking forces towards implementation of change.

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