

# The Transformational Leadership Factors Influence Global Leaders

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**Abstract**—This paper addresses the four factors – Idealized Influence (II), Inspirational Motivation (IM), Intellectual Stimulation (IS), and Individualized Consideration (IC) — that affect the successfulness of transformational leadership to become a global leader. It also gives information on how e-leadership works together with transformational leadership. In the paper, the Likert Scale was used to collect data, AMOS to analyze it, the Confirmatory Factor Analysis to confirm the model, and a literature review to support the study.

**Keywords**—transformational leaderships, leadership factors, organizational success, global leaders.

## I. INTRODUCTION

Leadership has been at the center of many research studies conducted. Successful leaders tend to have unique traits that make them influence the organization and the society around them. Transformational leader form a competitive advantage for many organizations as they help increase performance within these organizations [11]. Today many organizations need leaders that can adopt radical changes that transform the organization to fit the environment that is becoming ICT dominated. Some of the areas these changes could be initiated may include human resources, structures, strategies and goals or aims among others.

The dominance by the ICT in many organizations has made these organizations to focus on e-leadership. Information technology has mediated human interactions. E-leadership has had great impact on the leaders, their followers, teams and organizations, and has fundamentally changed the way leaders and followers relate to each other within the organization and between the organizations [5]. However, some fundamentals of leadership still remain the same in the new context of leadership. Therefore, this paper seeks to find out transformational leadership factors that influence the global leader. It also finds out the relationship between transformational leadership and e-leadership and their impact.

## II. LITERATURE REVIEW

The concept of transformational leadership was provided by Burns in his researches about political leadership and according to him, transformational leadership is a process which leaders and followers promote each other to higher levels of morality and motivation [2]. Transformational leaders are at the forefront of ensuring that their followers are able to solve the problems using the new and unique methods and aim higher than usual. They inspire their followers to focus beyond

their individual interests and on achieving a greater team, organizational, national and global objectives [16]. Transformational leaders are able to move their organizations towards an ideal perspective that allow coordination of the employees and integration of all the components of the organizational systems. Transformation leadership is very important in mobilizing the organization through ensuring that the managers, employees and other organizational members are motivated to make or adopt radical changes and transform the organization to achieve higher levels of idealized performance [2]. Under transformation leadership, the employees or followers are able to increase their creativity and motivation. They are empowered, able to develop and create new needs.

Besides transformational leadership there are other types of leadership such as transactional leadership participative leadership and laissez-faire among others. Transactional leadership is a kind of leadership that leaders reward the efforts and loyalty of the followers. In other words they are more concerned with contingent rewards. Leaders who practice this kind of leadership use corrective criticism, negative feedback, and negative reinforcement [14]. On the other hand, the laissez-faire is where there is absence of leaders. In other words such leaders tend to abdicate responsibility, give no feedback and make no effort to satisfy the needs of the followers [16]. However, this paper focuses only on the transformational leadership factors that influence a global leader such as individualized influence, inspirational motivation, intellectual stimulation and individualized consideration. This is because transformational leadership and these factors are what today drives the organizational success.

### A. Idealized Influence (II)

Transactional leaders act as strong role models to their followers. They are charismatic and have a great contribution and honor to the group's interest. Followers of such leaders show them great dignity, respect and obedience which transmit an idealized feeling [14]. As contended by Jandaghi, Martin and Farjami [11], "Idealized influence shows the capability of trust making and understanding the leadership by followers" (p.212).

The trust that is created between the leaders and their followers helps in making and acceptance of changes in the organization. One can only effectively lead others when the group is ready to be led otherwise it will not be effective. One is considered an effective leader when he has got an idealized influence and is able to achieve high level organizational goals and objectives by conducting and guiding their followers [7].

### B. Inspirational Motivation (IM)

Inspirational motivation enables the transformational leaders to encourage their followers to adopt suitable behaviors that will help in the achievement of the organizational goals and objectives [8]. Transformational leaders with inspirational motivation will encourage their followers or employees to accept new ideas and beliefs that have been put forward in the transformational changes. Transformational leaders need to behave in such a way that they are able to stimulate or trigger their followers to accept positive changes that are being incorporated in the organization [2]. Inspired motivation will make the members of the team to work and achieve the organizational goals.

### C. Intellectual Stimulation (IS)

This is a capability among the transformational leaders that enable them to diversify the processes of the organizational change [8]. Transformational leaders encourage their followers to be creative and innovative. They encourage others to change how they think and solve various problems that face them and the organization. Such leaders use new and creative ideas such as the new ideas in information, communication and technology to solve their problems [4]. The managers with intellectual motivation are able to drive and stimulate their followers to be aware of the problems and their possible solutions. The fundamental issues under intellectual stimulation are reinvestigation of the basic assumptions, looking for various perspectives when solving problems, enforcing others to look at the problem from different views, encouraging nontraditional thinking and encouraging revision of the ideas not [11].

### D. Individualized Consideration (IC)

Compared to the other three dimensions of transformational leadership, the individualized consideration component is unique. This is because the transformational leaders are more focused on the requirements that their followers need for accomplishment and development. The transformational leaders achieve this by coaching or mentoring. And as a result of this, both the followers and the colleagues become developed to their fullest potential. There are a number of characteristics that define this dimension. One of them, the involved parties are considered individually when being coached or mentored when novel learning chances arise and there is a conducive environment. The second characteristic is that there is recognition of the personal dissimilarities—their requirements and wants. The third characteristic, the leaders behave in ways that show they recognize the personal dissimilarities. The fourth characteristic, encouraging a two-way exchange communication. The fifth characteristic is mingling with the followers in personal terms. The sixth characteristic is

the leader listening keenly. Lastly, is monitoring just in case the followers require more assistance, also, so as to know it is proceeding.

Individualized consideration is concerned with paying attention to others and supporting them by showing concern to their personal feelings and needs [4]. Transformation leaders have to pay attention to their followers and help them to fulfill their talents. The needs have to be identified and appropriate measures taken to ensure that these identified needs are satisfied.

## III. RESEARCH METHODOLOGY

The aim of this research is to find out how the transformational leadership factors influence a global leader. The research was conducted among the employees at the Multinational Companies (MNCs) in Bangkok Thailand. The data was collected from 400 employees that work in these companies in Bangkok. The research method used to collect data is questionnaire among the statistical community such as managers and employees who work in these MNCs. This research used random sampling of the staff of the organizations. The staffs sampled were of different levels of the education and grades or positions in the organization. After the collection of data through questionnaire, the data obtained was analyzed using Statistical Program in Social Sciences (SPSS) software.

## IV. EMPIRICAL RESULTS

The following are empirical results of data that I collected using Likert Scale—that support the research topic of the paper. Defined concisely and precisely, transformational leadership is the process that introduces change or transforms either individuals, organizations, or both. Its constituents—idealized influence (II), inspirational motivation (IM), intellectual stimulation (IS), and individualized consideration (IC)—are portrayed using AMOS in the figure below.

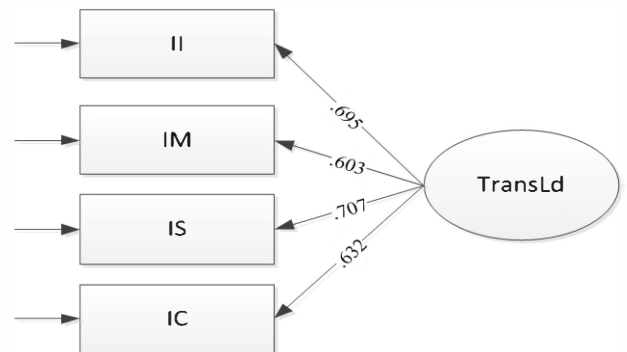


Figure 1. Transformational Leadership

### A. Model fit summary

In the figure, the initials mean: II (Idealized Influence), IM (Inspirational Motivation), IS (Intellectual Stimulation), and IC (Individualized Consideration).

$$F(\text{TransLd}) = 0.695 f_{II} + 0.603 f_{IM} + 0.707 f_{IS} + 0.632 f_{IC}$$

The equation above portrays vividly that in transformational leadership, intellectual stimulation is of great significance compared to the other three dimensions—idealized influence, inspirational motivation, and individualized consideration. The reason is captured starkly by Modasir& Singh [13] who observed that “intellectual stimulation promotes intelligence, rationality, and careful problem-solving abilities” and that that “the leaders who engage in intellectual stimulation do not answer their employees’ questions; instead, they make them seek the answers on their own.”

TABLE I. CMIN

Model	NPAR	CMIN	DF	P	CMIN/DF
Default model	8	4.189	2	.123	2.095

According to a suggestion made by Wheaton et al. [15], a relative chi-square ( $\chi^2/df$ ), a ratio of five or less, does ‘begin to be reasonable.’ As Marsh and Hocevar [12] observe, some researchers have made recommendations of using ratios as low as 2, while others have recommended ratios as high as 5 to indicate a reasonable fit. However, as Gillespie and Glisson [8] observes, ratios exceeding 2 indicate an inadequate fit; and describes those lesser than 2 as constituting a minimal model.

In this model, the numbers of parameters are 8; the degrees of freedom are 2; the probability of getting a discrepancy as high as 4.189 is .123 and relative chi-square (CMIN/DF) is 2.095 Therefore, this result represents a very good fit.

TABLE II. PARSIMONY-ADJUST MEASURES

Model	PRATIO	PNFI	PCFI
Default model	.333	.329	.331

Parsimony ratio (PRATIO) of this model is 0.333 that indicates a very good fit.

TABLE III. NCP

Model	NCP	LO 90	HI 90
Default model	2.189	.000	12.265

The columns labeled LO 90 and HI 90 contain the lower limit ( $\delta_l$ ) and upper limit ( $\delta_u$ ) of 90% confidence interval for  $\delta$ . With approximately 90 percent confidence, the population NCP for this model is 2.189, between 0.000 and 12.265.

TABLE IV. BASELINE COMPARISON

Model	NFI	RFI	IFI	TLI	CFI
Default model	.988	.965	.994	.981	.994

According to Hu and Bentler [10], NFI, RFI, IFI, TLI and CFI values close to 1 indicate a very good fit. Byrne [5] also

observed that “in NFI, CFI, and RFI coefficient values that range from zero to 1.00, those closer to .95 indicate superior fit.” For Model 1, Normed Fit Index (NFI) is 0.988, Relative Fit Index (RFI) is 0.965, Incremental Fit Index (IFI) is 0.994, Tucker-Lewis coefficient Index (TLI) is 0.981, and Comparative Fit Index (CFI) is 0.994. Therefore, this result indicates a very good fit.

TABLE V. FMIN

Model	FMIN	F0	LO 90	HI 90
Default model	.010	.005	.000	.031

With approximately 90 percent confidence, the population F0 for this model is 0.010, between 0.000 and 0.031.

TABLE VI. RMSEA

Model	RMSEA	LO 90	HI 90	PCLOSE
Default model	.052	.000	.124	.374

As Browne & Cudeck [4], suggest, a root mean square error of approximation (RMSEA) of equal to or lesser than 0.080 indicate a close fit. With approximately 90 percent confidence, the population RMSEA for this model is 0.052, between 0.124 and 0.374. Therefore, this result indicates a very close fit.

## V. CONCLUSION

By exhibiting charisma, and using the four components of transformational leadership—idealized influence (II), inspirational motivation (IM), intellectual stimulation (IS), and individualized consideration (IC)—all rolled into one, transformational leaders stand a good opportunity in raising the performance level to an unprecedented level and bring about gargantuan individual or organizational changes [9]. Depending on these unpredictable times, and the instabilities in organizations in the world nowadays, the transformational leadership is better placed to counter the effects.

Transformational leadership under well-defined organizational structure work well in today’s information and communication technology dominated environment. Most communication between the leaders and followers take place through information technology. The collection and dissemination of information that is required to support the operations is discharged through the electronic media [9]. E-leadership is critical for collaboration and interaction between the leaders and subordinates that are mediated through the use of ICT, and aims to foster the organizational vision and bring the corporation or individuals together [1]. E-leadership just like the traditional leadership can be used to inspire the subordinates to work towards meeting the organizational goals.

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