



North-West University Business School

MBAD 821

LEADERSHIP

Contact 2
Study unit 3

The Charismatic Leader

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Module information

Module code	MBAD 821
Module credits	16
Module name	Leadership
NQF	9
Qualification	MBA
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Module outcomes

- **After completion of the Leadership module, the student will:**
 - Provide and integrate **specialist knowledge**
 - to **enable engagement with**, critique current leadership research or practices, and
 - practically **apply a comprehensive and systematic knowledge base**
 - of key terms, principles and theories on leadership;
 - Use a wide **range of specialised skills**
 - in identifying, conceptualising, designing
 - the **use of methods, techniques and technologies of enquiry**,
 - to address, **complex and challenging real world issues**
 - appropriate to leadership and write up a **research report** ;
 - Design and implement a **strategy for processing and managing information**,
 - in order to conduct a comprehensive **review of leading and current research**,
 - use the **resources of academic and professional or occupational discourses**
 - to **communicate and defend substantial ideas** that are the products of research or development, and
 - use a **range of advanced and specialised skills** and **discourses appropriate** to the field of leadership,
 - to **communicate effectively** in a **multi-cultural environment** and with people at different levels of knowledge or expertise; and
 - Have the capacity to **operate independently and**
 - **take full responsibility** for his or her own work,
 - **account for leading** in applying **introspection and reflexivity** and
 - **initiate processes** and implement **systems**,
 - ensuring **responsible leadership**
 - through **effective, efficient and ethical governance practices**.

Topics

- The Charismatic leadership
- Transformational and Charismatic leadership and organisational and employee outcomes

Study outcomes

- After studying this study unit, you should be able to:
 - Describe the phenomena of Charismatic leadership;
 - Distinguish between Transformational and Charismatic leadership;
 - Explain the associations between Charismatic leadership and organisational and employee outcomes

Study material

- Conger, J.A., & Kanungo, R.N. (1994). Charismatic Leadership in Organizations: Perceived Behavioral Attributes and Their Measurement. *Journal of Organizational Behavior*, 15(5), 439-452.

Where were we last time?

Transactional vs Transformational Leadership

<u>Categories</u>	<u>Transactional</u>	<u>Transformational</u>
Leader's source of power	Rank, position	Character, competence
Follower reaction	Compliance	Commitment
Time frame	Short term	Long term
Rewards	Pay, promotion, etc.	Pride, self-esteem, etc.
Supervision	Important	Less important
Counseling focus	Evaluation	Development
Where change occurs	Follower behavior	Follower attitude, values
Where "leadership" found	Leader's behavior	Follower's heart

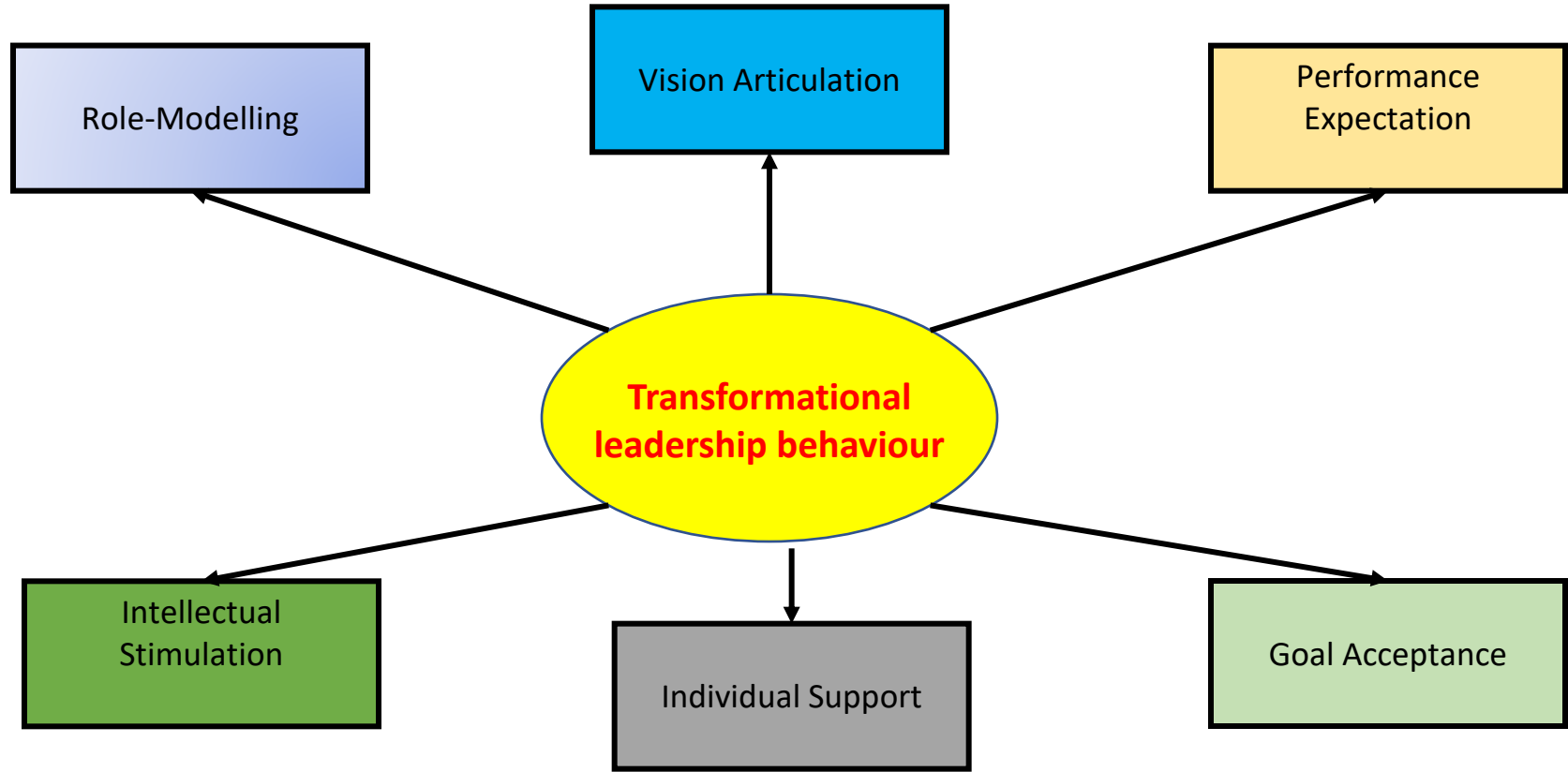
On a more practical level – what's the difference between transformational and transactional leadership?

The difference between	
Boss	Leader
Demands	Coaches
Relies on authority	Relies on goodwill
Issues ultimatums	Generates enthusiasm
Says "I"	Says "We"
Uses people	Develops people
Takes credit	Gives credit
Places the blame	Accepts blame
Says "Go"	Says "Let's go"
My way is the only way	Strength in unity



HIGHER PERSPECTIVE
CONNECT · REVEAL · TRANSFORM

Important Leadership Behaviour of Transformational Leaders



Where are we today?
Charismatic leadership – The what, who, why and how

Charismatic

[adjective]
charming qualities

Charismatic leadership – The what

Charisma is **expressiveness**...
If you can unlock your own
passion about the subject,
and give that to the audience,
you will be charismatic.

-Nick Morgan

Charismatic leadership – The what

- **Charismatic leadership** is basically
 - the method of encouraging particular behaviours in others
 - through
 - eloquent communication,
 - persuasion and
 - force of personality.
- **Charismatic leaders** motivate followers
 - to get things done or
 - improve the way certain things are done.

Charismatic leadership – The who

How many of them do you recognize?
Who impressed you the most? Why?



Charismatic leadership – The who Context and SIT (in and out group members)



Charismatic leadership – The who



10 Far-out Charismatic Leaders



American labour leader and co-founder of the United Farm Workers **Cesar Chavez** speaks at a rally in Coachella, California in the '70



Napoleon Bonaparte once demanded gold and silver from those he conquered -- then he passed it out to his soldiers as thanks, ensuring their loyalty.

Despite standing **just 1.57 meters tall, and being mocked as a child in Corsica because he didn't speak proper French,** he was a phenomenal leader.



Fidel Castro ruled Cuba with an iron fist from the time he was swept into power during the **1959 Cuban Revolution until 2008**, when he resigned as president due to ill health

10 Far-out Charismatic Leaders



Churchill was **an average student**. But he had a gift for inspiring people to follow him, and he never backed down when he thought he was right.



Mahatma Gandhi was a scrawny, sickly kid and a mediocre student. He became a lawyer as an adult, but his shyness made him ineffective. He could be rude and tactless. And he **wasn't remotely charismatic. Until, that is, he got angry.** Really angry



Adolf Hitler wasn't a sociable person. He was **a quirky kid who left school at 16 to become a painter in Vienna, at which he failed miserably.** He had problems forming intimate relationships and couldn't engage in an intellectual debate. Plus, he had loads of prejudices. Yet after joining the fascist German Workers' Party (later the Nazi Party) in 1919, it only took **him two years to become its leader**

10 Far-out Charismatic Leaders



There were many other African-American leaders at the time, but it was King who stood out because of the way in which he motivated the masses and his **uncompromising commitment to nonviolent protest**



Malcolm X had an incredibly turbulent life. But **despite the chaos and a lack of education**, he became a powerful motivator who drew thousands of blacks to join the Nation of Islam and embrace black pride.

10 Far-out Charismatic Leaders



“During my lifetime I have dedicated myself to this struggle of the African people. I have fought against white domination, and I have fought against black domination. **I have cherished the ideal of a democratic and free society in which all persons live together in harmony and with equal opportunities. It is an ideal which I hope to live for and to achieve.** But if needs be, it is an ideal **for which I am prepared to die.**”

10 Far-out Charismatic Leaders



Maria Eva Duarte Perón had a major influence on the lives of millions of 20th-century Argentinians. Born in 1919 in the small town of Los Toldos, Eva moved to Buenos Aires as a young woman to become an actress. While not supremely talented, she had a reasonable amount of success. She had a **special connection with the poor**, whom she called "mis descamisados (my shirtless ones)." She also started her own foundation to help them, often personally handing out cash.



For nearly two decades, activist **Aung San Suu Kyi** was **imprisoned** in her Myanmar (formerly Burma) home and became the **symbol of liberation for her country**. She is the **daughter of the founder** of the Burmese Independence Army, who originally negotiated the terms of Burmese independence from Britain and **was later assassinated**. Although Suu Kyi's party **won a landslide victory during a 1990 general election**, the junta overturned the results, **locked up Suu Kyi in her home** and stayed in power. The junta **offered to release her** if she would leave Burma and stay out of politics **but she refused**, vowing to **serve the people of Burma until death**, and rarely seeing her

family again

Important Leader Behaviors of Charismatic Leaders



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Charismatic leadership – The how

CHARISMA

ENVISIONING

Articulates a compelling vision

Sets high expectations

Models consistent behaviors

ENERGIZING

Demonstrates personal excitement

Expresses personal confidence

Seeks, finds, uses success

ENABLING

Expresses personal support

Empathizes

Expresses confidence in people

Charismatic versus transformational leaders

CHARISMATIC VS. TRANSFORMATIONAL LEADER	
CHARISMATIC LEADERSHIP	TRANSFORMATIONAL LEADERSHIP
Leader influences the followers with the dint of his personality and charm.	Leader inspires change through his vision & passion to get things done.
Leader is the “head of the show”.	Leader is open to followers’ input and participation.
Vision fulfillment by stimulating followers to leader’s vision.	Vision fulfillment inclusive of follower and leader vision.
Charismatic leaders are most likely to emerge in crisis situations.	Transformational leaders can emerge at different levels of the organization.
Behavior aimed at leader-driven goals and promote feelings of obedience and dependency in followers.	Behavior aimed at encouraging teamwork and commitment to shared goals.
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Conger, J.A., & Kanungo, R.N. (1994). Charismatic Leadership in Organizations: Perceived Behavioral Attributes and Their Measurement. *Journal of Organizational Behavior*, 15(5), 439-452.

Charismatic Leadership in Organizations: Perceived Behavioral Attributes and Their Measurement

Charismatic leadership

- Historically, the term is derived from an **ancient Greek word** meaning 'gift'.
- It would later be **adopted by the early Christian Church** to
 - describe **gifts (charismata) from God**
 - that **enabled the received to perform extraordinary deeds** such as **prophecy and healing**.
- The **application of the word to leadership contexts** came with the **pioneering work of Max Weber**.
 - He was **intrigued by the forces of authority in society** and
 - developed a **typology of three ideal types**:
 - the charismatic, the traditional, and the rational-legal.
- **Charismatic authority**, he asserted,
 - **derived its particular legitimacy**
 - **not from traditions, rules, positions, or laws but**
 - **rather from faith in a leader's exemplary character**.
- **The holder of charisma** is '**set apart from ordinary men** and
 - **treated as endowed with supernatural, superhuman, or at least . . .**
 - **exceptional powers and qualities ... (which)**
 - **are not accessible to the ordinary person but**
 - **are regarded as of divine origin or as exemplary, and**
 - **on the basis of them the individual concerned is treated as a leader**



Charismatic leadership

- Weber expressed **concerns with the problems** of
 - human freedom,
 - creativity, and
 - personal responsibility in modern society.
- He believed that **rational-legal authority** was **the hallmark of the 20th century** and that
 - 'charisma is doomed to decline as permanent institutional structures increasingly develop'
- He **feared that society's attempts** to bring rationality
 - into the **area of human emotions and social arrangements**
 - would ultimately **endanger individual creativity and freedom.**
- He also felt that **the rational-legal mandate 'rule by the majority'** –
 - would **extinguish the role of individual** and **personal responsibility in society** and
 - would ultimately **demystify human existence** to the point that **life might become meaningless:**
 - '... that the King may be naked indeed'

Charismatic leadership

- Given these concerns,
 - Weber sought to explain
 - the forces of individual creativity and responsibility
 - under the term 'charisma'.
- By emphasizing the extraordinary and mystical, he developed a
 - concept of authority and social organization that was in direct contradiction to
 - the logic and laws of the rational-legal and
 - the traditions and inherited status of the traditional.
- It was as if a sense of life's mystery and the importance of individual creativity
 - could be retained through charisma.
- He was careful, however, to note that the term be considered value-free
 - since a charismatic leader's 'revelation' for one person
 - might not be a 'revelation' for another.

Charismatic leadership

- At the same time, **Weber was concerned** with
 - understanding the creation,
 - maintenance, and
 - transformation of institutional arrangements.
- **Intrigued by the forces** that
 - *stabilized and ordered society* and those who brought *change and disorder*,
 - he **sought to categorize** the two into
 - 'traditional/rational-legal' on the one hand and
 - 'charismatic' on the other.
- **Charisma**, in essence, became **Weber's umbrella term** for
 - the **forces of change and innovation** in society.
- Due in part to **this aspect of Weber's conceptualization**,
 - **organizational researchers** of the 1980's and 1990's
 - would turn to **charismatic business leaders** as a **principle focus**
 - to **understand change and innovation**
 - in what was seen as a **largely unadaptive and bureaucratic corporate climate** in North America

Charismatic leadership

- Though Weber's own writings concerned largely political and religious leaders,
 - he did retain elements of the sacred character of the word in his secular or traditional customs
 - but was vested in an individual's personal gifts and abilities.
- Second, these leaders were revolutionary forces
 - whose 'revolutionary' appeal depended upon beliefs in heroism and revelation.
 - These were individuals with a prophetic picture or vision of the future.
 - They were perceived as possessing a power to 'heal' the wrongs of the previous order whether it be traditional or rational-legal.
- Finally, charismatic authority operated informally through human relationships while
 - both traditional and rational-legal authority were
 - organized around permanent and formal structures.
- In this respect, the relational demands upon the leader were significantly higher and
 - required, at the least, a perceived sensitivity on the leader's part to tend to the needs of followers.
- This in turn led to a powerful bond and commitment from followers to the leader
 - instead of a commitment to a set of rules or hierarchical bodies under rational-legal and traditional authority.

Charismatic and Transformational leadership

- Though Burns was concerned largely with political leadership, several management writers would borrow his 'transformational' label
 - to describe leaders involved in organizational change efforts
 - who appealed to higher order goals and
 - actively set out to empower their subordinates.
- Within short time, the terms transformational and charismatic leadership became intertwined in the organizational literature.
 - For example, it was not uncommon to see references to 'charismatic/ transformational leadership'
- Bass (1985) who has been the field's principle proponent of the term TL for organisational contexts has argued that the two are distinguishable.
 - Charisma is simply one of several components of TL.
- His own empirical research, however, would cloud the issue
 - since the component of charisma continually emerged as its most prominent component.
- Further confounding the issue was the fact that
 - both the charismatic and transformational formulations
 - portrayed the leader's strategic vision as
 - playing a central role in animating and
 - empowering followers

Charismatic and Transformational leadership

- What **distinguishes these two** formulations **has little to do** with any fundamental **differences in leader behavior** or tactics but
 - rather with the **perspective from which** the leadership **phenomenon is viewed**.
 - The **charismatic** theories and research have **measured leadership** from the standpoint of **perceived leader behavior** whereas
 - the **transformational** theories to date have **concerned themselves** primarily with **follower outcomes**.
- In the case of the **transformational** forms,
 - this was the **natural outcome of Burn's original** conceptualization
 - focusing on elevating **follower needs and motives**
 - to the **forefront of the leadership experience**.
- On the other hand, the earlier formulations of **charismatic leadership** emerging from the fields of **sociology and political science** were primarily concerned with
 - what **leader behaviors and contexts** induced **follower responses**.
- **In essence, the two formulations** of **charismatic and transformational** in the **organisational literature**
 - are **highly complementary** and
 - **study the same** phenomenon only from **different vantage points**.

Charismatic leadership

The Conger and Kanungo model (1987, 1988, 1992)

- They recently, developed a model that **focuses** on **several behavioural dimensions** of charismatic leadership within organisations.
 - **charismatic leadership is an attribution**
 - based on followers' **perceptions of their leader's behavior**.
- The **leader's observed behaviour**
 - is **interpreted by followers** as **expressions of charisma**
 - in the same sense as a **leader's behaviours reflect** that **individual's participative, people and task orientations**.
- Charismatic leaders **differ from other leaders** by
 - **their ability to formulate** and **articulate an inspirational vision** and by
 - **behaviours and actions** that foster an **impression that they and their mission are extraordinary**.
- As such, **individuals choose to follow** such leaders in management settings
 - **not only because of formal authority** but
 - out of **perceptions of extraordinariness**.
- Thus **any measurement of charismatic leadership** must be based on follower's perceptions
 - of the **specific behavioral attributes** of the leader that **engender such outcomes**.

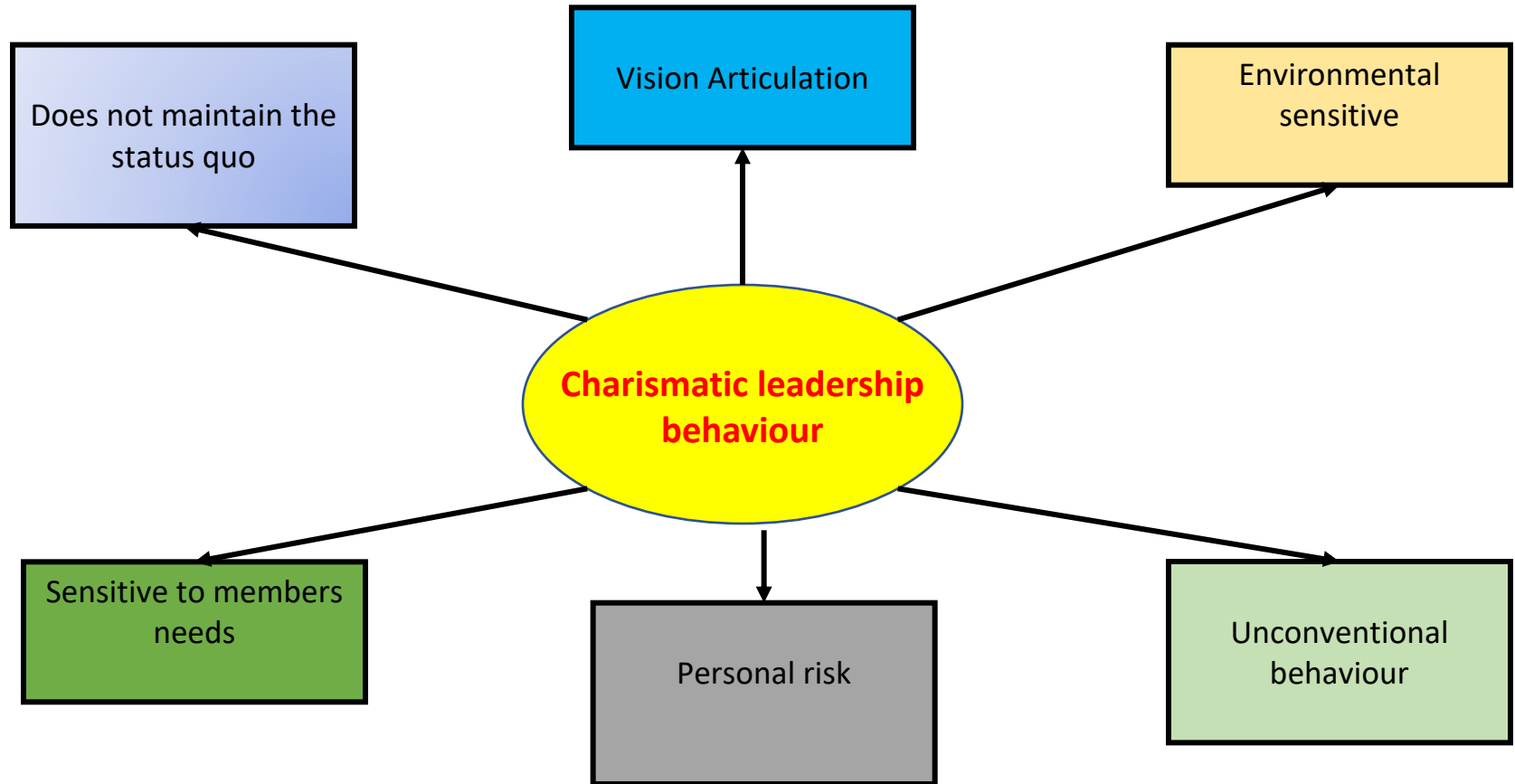
Charismatic leadership

The Conger and Kanungo model (1987, 1988, 1992)

- This model proposed **several distinguishing behavioural** components
 - in **three distinct stages** of the leadership **process**.
- In **stage one (environmental assessment stage)**, the model distinguishes the charismatic leadership of managers from **other leadership roles by followers' perception** of
 - the **manager's greater desire to change** the status quo and
 - by a **heightened sensitivity** to environmental opportunities, constraints, and followers' needs.
 - more likely than in other roles to be **perceived both as critics of the status quo and**
 - as **reformers or agents of radical reform**.
- In **stage two (vision formulation stage)**, the **followers' perception of the manager's**
 - formulation of a **shared, but idealized future vision** and
 - effective **articulation of this vision**
 - in an **inspirational manner distinguishes** the manager's charismatic leadership role **from other roles**.
- Finally, in **stage three (implementation stage)**, **managers who are perceived as charismatic**
 - are seen to be **engaging in exemplary acts**
 - that subordinates interpret as involving **great personal risk and sacrifice**
- **Through these actions**, such **managers are able** to **empower subordinates** and **build trust**.
- In addition, **managers in a charismatic leadership role** are also seen to be
 - **deploying innovative and unconventional** means for achieving their visions.

Important Leadership Behaviour of Transformational Leaders

Conger and Kanungo (1987, 1988) model



Perceived behavioral dimensions of charismatic leadership proposed by the Conger and Kanungo (1987, 1988) model.

Vision and articulation

- Exciting public speaker
- Appears to be a skillful performer when presenting to a group
- Inspirational, able to motivate by articulating effectively the importance of what organizational members are doing
- Has vision, often brings up ideas about possibilities for the future
- Provides inspiring strategic and organizational goals
- Consistently generates new ideas for the future of the organization

Perceived behavioral dimensions of charismatic leadership proposed by the Conger and Kanungo (1987, 1988) model.

Environmental sensitivity

- Readily recognizes constraints in the organization's social and cultural environment (cultural norms, lack of grass roots support, etc) that may stand in the way of achieving organizational objectives
- Readily recognizes constraints in the physical environment (technological limitations, lack of resources, etc) that may stand in the way of achieving organisational objectives
- Readily recognizes barriers/forces within the organization that may block or hinder achievement of his/her goals
- Recognizes the abilities and skills of other members in the organization
- Recognizes the limitations of other members in the organization
- Readily recognizes new environmental opportunities (favorable physical and social conditions) that may facilitate achievement or organizational objectives
- Entrepreneurial; seizes new opportunities to achieve goals

Perceived behavioral dimensions of charismatic leadership proposed by the Conger and Kanungo (1987, 1988) model.

Unconventional behavior

- Engages in **unconventional behavior** to achieve organizational goals
- Uses **non-traditional means** to achieve organizational goals
- Often exhibits very **unique behavior** that **surprises other members** of the organization

Personal risk

- In pursuing organizational objectives, engages in **activities involving considerable personal risk**
- In pursuing organizational objectives, engages in **activities involving considerable self-sacrifice**
- Takes high personal **risk for the sake** of the organization
- Often **incurs high personal costs** for the **good of the organization**

Perceived behavioral dimensions of charismatic leadership proposed by the Conger and Kanungo (1987, 1988) model.

Sensitivity to member needs

- Shows **sensitivity for the needs and feelings** of other members in the organization
- Influences others by **developing mutual liking and respect**
- Often **expresses personal concern** for the needs and feelings of other members of the organization

Does not maintain status quo

- **Tries** to maintain the status quo or the **normal way of doing things**
- Advocates following **non-risky well-established courses of action** to achieve organizational goals

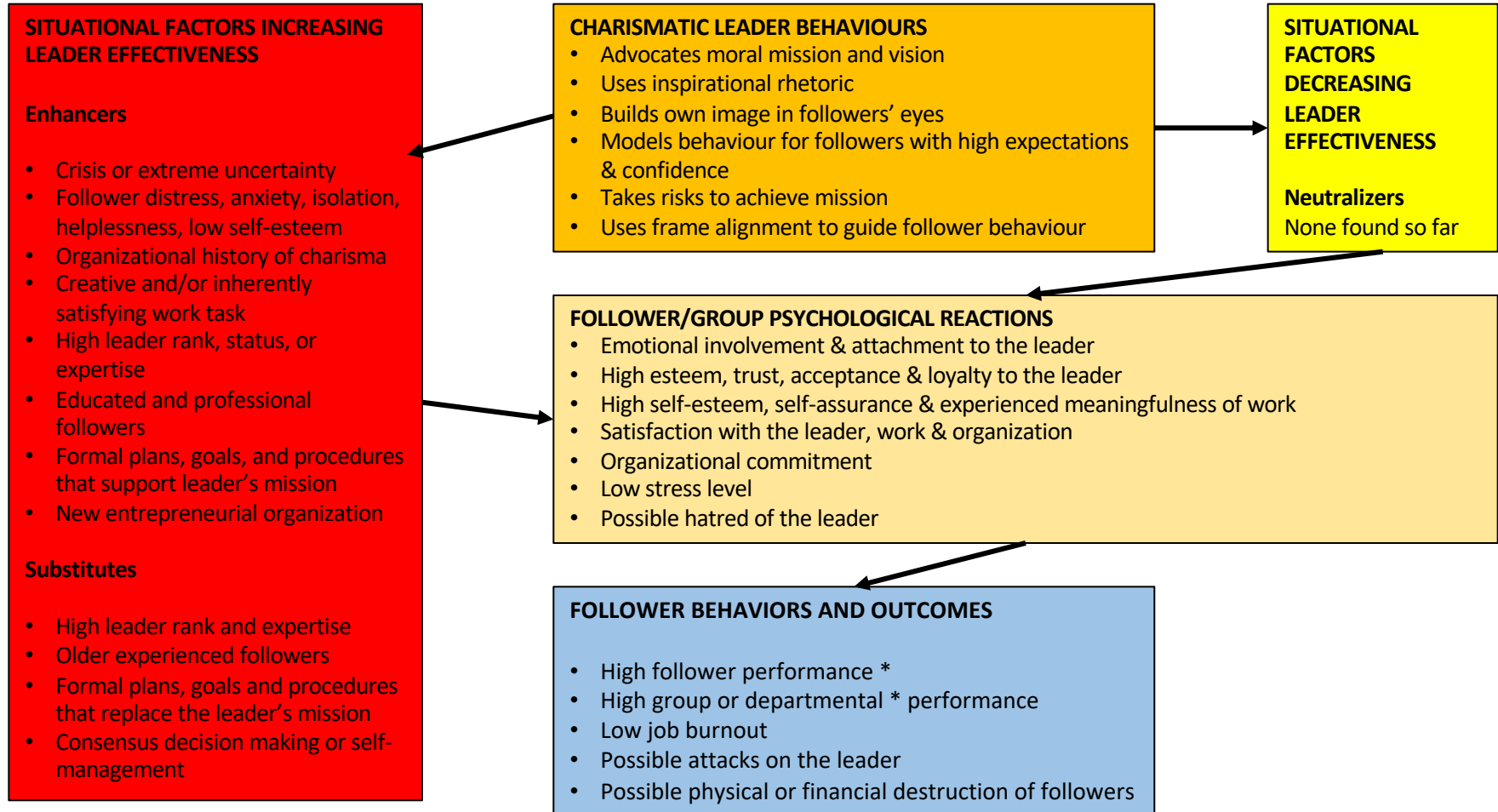
Important Leader Behaviors of Charismatic Leaders



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Process model of charismatic leadership



Effectiveness of the charismatic leadership

A Meta-Analysis to Review Organizational Outcomes Related to Charismatic Leadership

Timothy DeGroot

McMaster University

D. Scott Kiker

University of South Carolina Beaufort

Thomas C. Cross

Drake University, Des Moines

DeGroot, T., Kiker, D. S., & Cross, T. C. (2000). A meta-analysis to review organizational outcomes related to charismatic leadership. *Canadian Journal of Administrative Sciences/Revue Canadienne des Sciences de l'Administration*, 17(4), 356-372.

Effectiveness of the charismatic leadership

Table 2
Meta-Analyses of the Effects of Charismatic Leadership

Category of Analysis	k	N	Weighted mean r	Uncorrected SD(r)	Uncorrected SD(res)	Corrected r	Corrected SD	Variance due to sampling error (%)	Variance due to all artifacts (%)	95% confidence interval lower	upper
<i>Effectiveness of the:</i>											
<i>Leader</i>	23	5577	0.68	0.14	0.14	0.74	0.15	5.8	11.1	0.29	0.99
Group measure	5	467	0.46	0.18	0.16	0.49	0.18	20.5	22.5	0.16	0.83
Individual measure	18	5110	0.7	0.12	0.12	0.76	0.13	6.2	12.9	0.52	1.01
Common methods	13	4782	0.71	0.1	0.1	0.78	0.1	6.3	17.5	0.58	0.98
Multiple methods	5	328	0.45	0.12	0.01	0.5	0.12	63.33	65.11	0.34	0.65
<i>Subordinate</i>	11	1147	0.27	0.15	0.12	0.31	0.15	36.57	38.99	0.05	0.58
Group measure	7	432	0.42	0.08	0	0.49	0.08	100	—	—	—
Individual measure	4	715	0.19	0.11	0.08	0.21	0.11	43.19	44.55	0.03	0.38
<i>Subordinate effort</i>	12	3807	0.65	0.23	0.23	0.73	0.23	2.03	3.3	0.23	1.23
Common methods	7	3249	0.68	0.2	0.2	0.76	0.2	1.45	3.42	0.32	1.2
Multiple methods	5	558	0.42	0.24	0.22	0.48	0.24	10.96	11.16	-0.02	0.98
<i>Job satisfaction</i>	14	3832	0.7	0.19	0.19	0.77	0.19	2.49	6.14	0.36	1.17
Common methods	10	3130	0.78	0.09	0.08	0.84	0.09	6.79	27.99	0.69	0.99
Multiple methods	4	702	0.36	0.17	0.16	0.41	0.17	14.4	15.25	0.05	0.76
<i>Commitment</i>	3	2040	0.39	0.1	0.09	0.43	0.1	10.46	20.91	0.24	0.63

Charismatic leadership and other styles

Table 4. Intercorrelations among leadership measures

	1	2	3	4
1. Task-oriented leadership	—			
2. Participative leadership	0.35*	—		
3. People-oriented leadership	0.25*	0.75*	—	
4. Bass charisma	0.34*	0.73*	0.70*	—
5. C-K charismatic leadership	0.26*	0.53*	0.57*	0.69*
Subscales				
Vision and articulation (six items)	0.27*	0.47*	0.44*	0.62*
Environmental sensitivity (seven items)	0.39*	0.54*	0.52*	0.63*
Unconventional behavior (three items)	−0.03	−0.05	0.05	0.06
Personal risk (four items)	0.16*	0.24*	0.31*	0.42*
Sensitivity to member needs (three items)	0.15*	0.71*	0.75*	0.60*
Does not maintain <i>status quo</i> (two items)	−0.18*	−0.08	0.02	0.14*

* $p < 0.01$.

Table 5. Stepwise regression analysis with C-K dimensions as independent and other leadership scales as dependent variables

	Task		Participative		People		Bass	
	Partial R^2	F	Partial R^2	F	Partial R^2	F	Partial R^2	F
Vision and articulation	—	—	0.01	10.85	—	—	0.06	72.40
Environmental sensitivity	0.15	85.18	0.06	62.53	0.03	41.46	0.40	319.33
Unconventional behavior	—	—	—	—	—	—	—	—
Personal risk	—	—	—	—	0.02	22.68	0.02	28.59
Sensitivity to member needs	—	—	0.50	488.58	0.56	618.31	0.12	122.40
Does not maintain <i>status quo</i>	0.05	28.51	0.01	16.01	—	—	—	—

Thank you