

# **TRANSFORMATIONAL LEADERSHIP AND ITS FUNCTIONALITY IN ARTS ORGANIZATION**

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## **ABSTRACT**

Throughout the eyes of the world, an organization may have a great identity. However, without a leader with proper functionality in managing the organization, it is certain that the organization might face failure in the future. In addition to that, in this fast-paced world of competition and challenges, an up-to-date transformation is indeed necessary for a bright future. Transformational leadership is known to stimulate followers' performance and enhance their commitment to an outstanding level. Numerous researches have proved that practicing transformational leadership style in the management of every organization will lead to a bright competitive future but how this leadership style is practiced is rarely disclosed. In the conjunction to this, the researcher analyzed further on the functionality of transformational leadership concept or style in the organization. Mix method of qualitative and quantitative was employed through structured questions targeted to the main executives of ASTRO. The final outcome of the survey based on the conceptual framework was suggested to the firm to be implemented. Thus, there are three aspects where the functionality is reflected which are Exerting influence on subordinates with Idealized influence, Open and imaginative with Intellectual stimulation, as well as Idealized influence and Intellectual stimulation.

**Keywords:** Transformational Leadership; Leadership; Arts Organization.

## **1. INTRODUCTION**

In the management approach, it is stated that one of the management functions is leading the organization towards a directed path. Leadership is the important factor that has the ability to manage changes in an organization whereby its definition is related to "alignment, understanding and change" (Sarros & Santora, 2001). Kotter (1999), said that this 21<sup>st</sup> century of rapidly moving and competitive environment is estimated to face an increase in demands for leadership approach. Hence, in order for the organization to adapt well with the fluctuating environment internally and externally, an effective leadership is crucial. Leadership is basically defined as "the process of influencing others to understand and agree about what needs to be done, and how to do it and the process of facilitating individual and collective efforts to accomplish shared objectives" (Yukl, 2010). In other words, it is a process in which organizational members are influenced to build a directed and achievable future of the organization they work in. In combination of elements of leadership which encompasses the traits, behaviors and charismatics, one of the new integrative leadership theories namely transformational leadership was developed by James McGregor Burns

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in 1978 (Bass & Riggio, 2006). Burns (1978) introduced the concept of transformational leadership in his research on political leaders and it has spread in the use in an organization. The style or to be even more precise, the functionality of a transformational leadership in which the leaders acquires and uses is the key element that contributes to the organization's effectiveness.

The practice of "command-and-control" style of leadership in the 20<sup>th</sup> century is no longer acceptable and effective in today's fast paced world. Thus, a new style of leadership approach is deemed necessary to meet today's 21<sup>st</sup> century organization style. Besides that, researchers have proven that transformational leadership style has positive effect on the effectiveness on an organization. According to Bass (1985) as in India for instance, Mahatma Gandhi was able to convince his followers to sacrifice their own safety and security interest for the independence of India. However, the functionality of transformational leadership still remains as a question to be answered in which there is a considerable conceptual gap is regarding this issue (Yukl, 1999). References and findings, as well as studies as needed to strengthen the understanding and acceptance of organizations in Malaysia to the development of this knowledge and skills.

Transformational leaders encourage followers to perform more than they intend and thought possible despite help them attain goals (Bass & Riggio, 2006). Bass (1985) was known to expand Burns's research ideas by developing transformational leadership theory and he defined transformational leadership based on the impact it has on the followers. According to Bass (1985), the extent to which a leader possesses transformational leadership skills is measured is through the degree in which a leader is able to influence the followers and tries to identify new opportunities and assess threats. Influencing the followers means that the followers develop a sense of trust, admiration, loyalty and respect for the qualities of the transformational leader who are willing to work harder than expected. The transformational leader typically uses the components of leadership to transform and motivate followers. These components include idealized influence, inspirational motivation, individualized consideration and intellectual stimulation.

Idealized influence is whereby transformational leaders perform in a way that affects their subordinates to idolize them as role models (Bass & Riggio, 2006). Other than that, transformational leaders who practice this component acquire a high sense of self confidence. They tend to inculcate quality which motivates the supporters to work competently and their ability in achieving organizational mission, vision and objectives of the organization. Leadership attributes of taking risks, taking followers' needs into consideration and setting high standards of ethics as well as acting upon it causes them to be respected, trusted and admired (Bass & Riggio, 2006; Williams, 2013). Thus, the supporters will further recognize their leaders and emulate their footsteps (Bass & Avolio, 1994; Bass & Riggio, 2006).

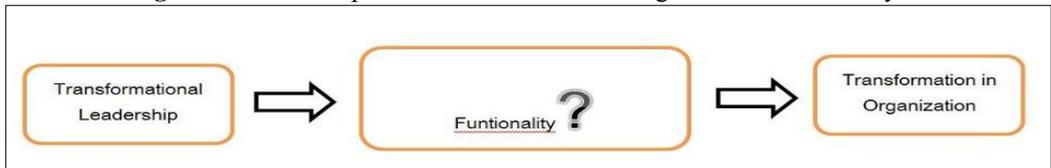
According to Bass and Avolio (as cited in Bogler, Caspi, & Roccas, 2013), inspirational motivation indicates energizing the supporters by viewing the future with optimism and stressing ambitious goals (p. 379). In other words, inspirational motivation implies the level vision appears in a leader to be more attractive and inspiring personality (Hellriegel & Slocum, 2009). Basically, the leaders with the component of inspirational motivation challenge their supporters with high expectations or goals in order for them to have strong sense of enthusiasm in exerting more effort in performing their task to achieve the goals. For instance, example of the transformational leader, Malaysian former Prime Minister Tun Dr. Mahathir bin Mohamad practiced inspirational motivation in projected an inspiring vision, 'Vision 2020' which is a vision of a fully developed country by the year 2020 (Gill, Levine & Pitt, 1998).

Bass and Riggio (2006) supported Bass and Avolio (1994), stated another component of transformational leadership is the individualized consideration. It fosters a supportive relationship through personal attention such as needs and feelings of leaders to their supporters (Bass & Riggio, 2006; Bass & Avolio, 1994). Thus, transformational leaders who apply this aspect in managing the organization basically guide their supporters accordingly and act as a mentor. Besides that, fostering a social connection with the followers is also a part of action by individually considerate leaders. Yukl (2010) also stated that these leaders will support and encourage their supporters in assisting them to develop professional personal growth in increase their confident level in accomplish their tasks.

The last element of transformational leadership is intellectual stimulation. According to Bass and Avolio (as cited in Bogler, Caspi, & Roccas, 2013) stated that intellectual stimulation is an element in inspiring individuals to think of innovative and extraordinary solutions to problems (p. 379). Intellectual stimulation accomplish the level of leaders instill in the minds of their supporters with creative and innovative judgement by doing new strategies in a new perspective (Bass & Riggio, 2006). The key element of intellectual stimulation is the problem solving ability of the supporters. On the other hand, leaders who acquire this aspect of transformational leadership tend to be wiser in problem solving.

The main research objective is to study the functionality of transformational leadership in an arts organization through the definition and designation by transformational leaders and also the ways transformational leaders achieve transformation. Figure 1 below shows the figure contemplates what approach in the transformational leadership style can lead to the transformation of an organization.

**Figure1:** The Conceptual Framework of “The Big Box of Functionality”



## 2. MATERIALS AND METHODS

This study is conducted in an arts organization company namely ASTRO with the purpose to identify the functionality of transformational leadership in the firm that leads to its effectiveness. ASTRO, the well-known broadcasting television network has been chosen for a few reasons. Astro holds the distinction of the ‘Gold’ award in the Media and Entertainment category at the Putra Brand Awards for 6 consecutive years from 2010 to 2015, including the ‘Brand of the Year’ award in 2012 and the ‘Brand Icon’ award in 2013 (Astro, 2014). Thus, the total of 55 structured questionnaires was distributed via email to the main executives in the event department of ASTRO. Informants will be exposed to questions by the researcher in a structured form of an interview in relation of how transformational leadership functions to the effectiveness in the organization of ASTRO. The informants will also be asked on the designs and processes used by the transformational leaders for an effective task performance. Despite that, they will also have to fill up an open-ended section answer to determine their opinion further.

The data provided are analyzed using the five point Likert Scale and are input via Statistical Package for Social Sciences (SPSS) Version 20. Pearson correlation is used to determine the significance of the relationship of the variables concerned. The degree to which extend the variables are associated is obtained through the 'r' value via SPSS software. The value reflects whether the relationship is either positive or negative. The degree of positivity and negativity is also obtained through the 'r' value whereby it ranges from -1.00 to +1.00. The relationship is said to be very strong positive if the 'r' value is of +0.70 or higher whereas the relationship is said to be weak positive if the 'r' value is within +0.20 to +0.29. This applies to the negative 'r' value as well. The main findings are obtained via inferential analysis. Non-probability sampling is an appropriate sampling in this study whereby the likelihood of being selected from the sample is unknown. In detail, purposive sampling is used as informants selected who are the leaders relevant to a particular research question. Since this study is to determine the functionality of transformational leadership in an organization, particularly informants of main executives of the organization are highly being selected.

### 3. RESULTS

Research done in ASTRO is analyzed and the results obtained are discussed. This analysis was based on 50 valid responses. As mentioned in the earlier part of research methodology, main executives of ASTRO were selected for their feedbacks to study the functionality of transformational leadership. The result of this study shows that 74% of these managers were involved in this study were of the upper level managers who are main leaders in the organization which comprised of middle level managers (42%), followed by top level managers (32%).

The first result shows that 'exert influence on subordinates by encouraging them with the confidence to go beyond specified expectations' and 'Idealized Influence' reflects the functionality of transformational leadership. This data has answered the first research question and objective of this study which studies the functionality of transformational leadership in an arts organization. To prove the achievement of the objective, Pearson Correlation test have been used to acquire the significance of the two related factors. The Pearson Correlation test is used to analyze the strength of association between the two variables.

**Table 1: Pearson Correlation Value**

		<b>Exert influence</b>	<b>Idealized Influence</b>
Exert influence on subordinates	Pearson Correlation	1	<b>0.700**</b>
	Sig. (2-tailed)		<b>0.000</b>
	N	50	50
Idealized Influence	Pearson Correlation	<b>0.700**</b>	1
	Sig. (2-tailed)	<b>0.000</b>	
	N	50	50

**Note:** \*\*Correlation is significant at the 0.01 level (2-tailed)

According to the Table 1 above, the value of Pearson Correlation Coefficient shows that  $r = 0.700$ . This shows that there is a positive association between these two variables and their strength of relationship is a very strong positive correlation. Both variables are related to each other significantly at the level of 0.01. The correlation is statistically significant because the  $p$  value is

less than alpha value ( $p < 0.01$ ). Basically, the functionality is that leaders exert influence on subordinates by encouraging them with the confidence to go beyond specified expectations associated with the factor idealized influence.

As to resolve the second research objective of studying the definition and designation by transformational leaders in an arts organization, the strength of association between the factors which is 'Open and Imaginative' and 'Intellectual Stimulation' is tested using Pearson Correlation test. The finding also reflects the functionality of transformational leadership whereby this data answered the second research question and objective which is to study the definition and designation by transformational leaders in an arts organization. To prove the achievement of the objective, Pearson Correlation test have been used to acquire the significance of the two related factors.

**Table 2:** Pearson Correlation Value

		Open and imaginative	Intellectual Stimulation
Open and imaginative	Pearson Correlation	1	<b>0.425**</b>
	Sig. (2-tailed)		<b>0.002</b>
	N	50	50
Intellectual Stimulation	Pearson Correlation	<b>0.425**</b>	1
	Sig. (2-tailed)	<b>0.002</b>	
	N	50	50

*Note: \*\*Correlation is significant at the 0.01 level (2-tailed)*

According to the Table 2 above, the value of Pearson Correlation Coefficient shows that  $r = 0.425$ . This shows that there is a positive association between these two variables and their strength of relationship is a strong positive correlation. Both variables are related to each other significantly at the level of 0.01. The correlation is statistically significant because the  $p$  value is less than alpha value ( $p < 0.01$ ). The leaders basically acquire the personality of being open and imaginative associated with intellectual stimulation in defining and designing transformation.

**Table 3:** Pearson Correlation Value

		Idealized Influence	Inspirational Motivation	Individualized Consideration	Intellectual Stimulation
<b>Idealized Influence</b>	Pearson Correlation	1	0.042	0.038	<b>0.565**</b>
	Sig. (2-tailed)		0.771	0.795	<b>0.000</b>
	N	50	50	50	50
<b>Inspirational Motivation</b>	Pearson Correlation	0.042	1	0.078	0.236
	Sig. (2-tailed)	0.771		0.591	0.099
	N	50	50	50	50
<b>Individualized Consideration</b>	Pearson Correlation	0.038	0.078	1	0.067
	Sig. (2-tailed)	0.795	0.591		0.645
	N	50	50	50	50
<b>Intellectual Stimulation</b>	Pearson Correlation	<b>0.565**</b>	0.236	0.067	1
	Sig. (2-tailed)	<b>0.000</b>	0.099	0.645	
	N	50	50	50	50

*Note: \*\*Correlation is significant at the 0.01 level (2-tailed)*

The third result shows that 'Idealized Influence' and 'Intellectual Stimulation' reflects the functionality of transformational leadership. This data has answered the third research question and objective of this study which investigates the ways transformational leaders achieve transformation in an arts organization. To prove the achievement of the objective, Pearson Correlation test have been used to acquire the significance between all the factors from the ways to achieve transformation. The Pearson Correlation test is used to analyse the strength of association between the variables to determine which ways associates the best.

According to the Table 3 above, every factor from the variable of ways to achieve transformation is associated with each other to determine the significant association. As can be seen, the most significant association can be seen between the factors 'Idealized Influence' and 'Intellectual Stimulation' and is bold and arrowed in the Table above. The value of Pearson Correlation Coefficient shows *that*  $r = 0.565$ . This shows that there is a positive association between these two factors and their strength of relationship is a strong positive correlation. Both factors are related to each other significantly at the level of 0.01. The correlation is statistically significant because the  $p$  value is less than alpha value ( $p < 0.01$ ). The leaders basically perform idealized influence associated with intellectual stimulation to achieve a transformation.

There are few variables that are taken into account which were collected from the structured questionnaires distributed from the managers of ASTRO. There are three suggested variables existed within 'The Box of Functionality' which encompass 'Exerting Influence and Idealized

Influence', 'Open and Imaginative and Intellectual Stimulation', as well as 'Idealized Influence and Intellectual Stimulation'. All the positive variables are developed as part of the extension of the new propose framework.

#### **4. DISCUSSION AND CONCLUSION**

Based on the first result, exerting influence on subordinates by encouraging them with the confidence to go beyond specified expectations is part of idealized influence as they have the same emphasizing (Bass, 1985). Basically, to transform an organization, a performance beyond target is the key element. To induce this specified target and influencing subordinates is the transformational leaders' role. Based on the second result which shows how leaders design the strategies, open and imaginative is part of intellectual stimulation. Intellectual stimulation explains the degree in which leaders instill in the minds of their followers with creative and innovative ways of thinking. In order to do this, the leader first must be open and imaginative. According to Rahman (2015), leaders should be open in the sense that they should include and adapt to subordinates' thinking and perspective.

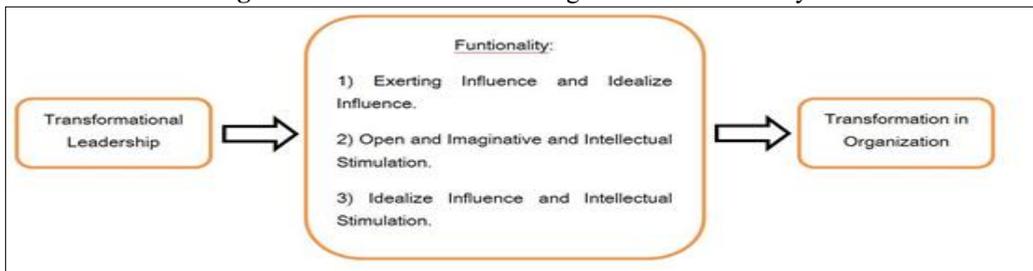
Lastly, in the result that shows the ways leaders achieve transformation is through idealized influence and intellectual stimulation. This is because, through influencing via idealized influence, then only intellectual stimulation can take place. This can be seen when leaders who acquire intellectual stimulation aspect of transformational leadership tend to be wiser in handling every problem they encounter (Sarros & Santora, 2001). Thus, this will influence the followers and cause them to follow their footsteps and this is where idealized influence comes in. Once the followers are inspired and influenced, they will eventually portray the same value in their every outcome

where intellectual stimulation comes in again. As this interrelated process being used in other leading ways will eventually create a transformation.

As a conclusion, the objectives are achieved and functionality of transformational leadership in which the leaders acquire is the key element that contributes to the organization's effectiveness. The proposed framework in Figure 2 provides an insight on the type functionality of transformational leadership which should be paid more attention to. It clears the conceptual gap on how to apply the theories of transformational leadership in this framework.

Therefore, training is needed to foster the organizational leaders to learn and implement an effective transformational leadership style which has high adaptive to changes. This is important for the leaders to use different kind of strategies when it comes to decision making in different situations. Leadership training may help the leaders to better understand on the concept of leadership behaviors, able to use patterns and skills that suites with different kind of decision making, as well as able to develop their personal leadership skills and others.

**Figure 2:** Framework of 'The Big Box of Functionality'



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