
TRANSFORMING LEADERSHIP STYLES AND KNOWLEDGE SHARING IN A MULTICULTURAL CONTEXT

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Abstract. Despite limitations on comprehensive studies, scholars accept that transformational and transactional leadership theories will have a universal application because these models have capacity for being adapted to different cultural settings. However, more exploration is required in order to develop a strong and consistent picture of the generalizability of culturally-linked leadership styles differently perceived, evaluated or enacted in diverse cultures because the meaning and importance given to the concept of leadership vary across cultures. By comparing and contrasting the number of cultural frameworks of leadership styles and drawing conclusions as to the relationship between leadership styles and culture, more holistic understanding can be attained.

Keywords: transactional leadership, transformational leadership, new paradigm leadership, leadership style, culturally-linked leadership, international management.

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1. Introduction

Leadership theories have traditionally been grounded in rational empiricism, wherein only phenomena amenable to knowledge through direct experience were considered to be within the proper purview of scientific enquiry (Brown, Starkey 2000; Ghoshal 2005). Recently, there have been calls for leadership theorists to explore the inner person of the leader (Brown, Starkey 2000); however, responses to those calls have resulted in an array of claims regarding the essential element of leadership. Credibility has been proposed as the *sine qua non* of leadership (Kouzes, Posner 2004), having emotional intelligence (Goleman 1998), character (Burns 1978), ethics (Ghoshal 2005) and spirituality (Strack *et al.* 2002) among others.

Perhaps this confusion has arisen because there is not a single dimension that is the key to leadership; rather, all aspects of leadership may be a part of an interrelated whole. Calls for leaders to strive for wholeness and practitioners' publications depicting effective

leadership as the integration of body, emotions, mind and spirit (Loehr, Schwartz 2001) suggest that there is an interest in an integrative exploration of leadership.

Moreover, the nature of the interdependent relationship between leadership styles and cultural underpinnings cannot be ignored or underestimated. By studying culturally-linked leadership styles and drawing conclusions about the relationship between leadership and culture, scholars contribute to understanding the importance of workforce diversity and attention to other cultures and, hence, to globalization today when organisations operate in many various locations.

Variations in leadership styles are due to cultural influence because people have different beliefs and assumptions about characteristics that are deemed effective for leadership. Therefore, it is fundamental to know what leadership skills and knowledge are valued most by managers at the global level. This information is critical as it offers insight into developing competencies in different workplaces, especially as organisations expand their geographical boundaries into worldwide markets.

Although the issue of organizational leadership has attracted a great deal of interest in social science literature within the last century (e. g. Kaiser *et al.* 2008), the majority of these studies are based on conceptual models or data derived from either Western or North American cultures. In recent decades, researchers have increasingly called for the re-examination of the current social science theories with the goal of detecting to what extent the theories drawing upon Western as well as North American cultural values and precepts are tenable with non-Western individuals (Hofstede 2001; Hofstede, Peterson 2000; House 2004; Javidan, House 2001).

The aim of the article is to examine the number of scholars' researches in regional contexts that shape the understanding of both transactional and transformational leadership styles in non-Western countries. The article examines what leaders do and how the styles of leadership are perceived in different cultures as well as how cultural context facilitates causing the emergence of particular leadership styles. A methodological approach – an extensive literature review has been undertaken to explore the understanding of how leadership performance is perceived, evaluated or enacted differently in diverse cultures, because the meaning and importance given to the concept of leadership vary across cultures. Logical comparison as well as a comparative method of analysis has been invoked, whereas research is conceptual in nature, and conjoint analysis is a useful research technique. Further research work is needed to formalize a full path towards a perspective in the leadership theory of the culturally-linked new paradigm.

The approach developed in this article is grounded in an assumption that cultural values, beliefs and expectations influence leadership styles through a complex set of behavioural processes involving culture-specific roles and responsibilities that are deemed appropriately for leadership. This assumption suggests that leadership styles exhibited by individuals who act in ways reflecting cultural nuances, sensitivities and values, establish a meaning for subordinates and the leaders themselves.

2. Theoretical background

Leadership refers to encouraging the followers to track collective or at least joint objectives that symbolize the values and drive of both the leaders and followers (Krishnan 2003). Thus, the concern for the need and requirements of the followers is at the core of leadership principles and practices. In this connection, Tichy and Devanna (1986) noted that the real need of the followers was fulfilled by the leaders who did not utilize their followership to attain their own ends, but who worked towards the realization of mutual development. Burns (1978) further notes that such leadership, which may be termed moral leadership could not, by itself, be a driver of need fulfilment of the followers unless it took the form of transformational leadership. According to Burns (1978), transformational leadership "... occurs when one or more persons engage with others in such a way that the leaders and followers raise one another to higher levels of motivation and morality ...".

In continuation, literature reveals that transformational leadership is a significant correlation of the amount of effort exerted by the followers, leader-member satisfaction, employee performance and the overall effectiveness of individuals and by extension, of the organization. According to Kirkpatrick and Locke (1996), the leader's vision and its implementation through job indications positively affect subordinates' performance and attitudes. Further, according to Bass and Avolio (1994), transformational leadership contributes to organization attempts at improving operations by the optimal utilization of its human resources (HR). In order to fulfil these tasks, transformational leaders must chalk out appropriate designs related to HR practices and policies that are geared towards greater autonomy and augmented individual performance. In this connection, it was observed that transformational leadership led to follower-organization value congruence, which as a result, became a significant source of various positive outcomes in organizational and HR management practices.

One area where improvement is needed across the current leadership theories is the understanding of how the issues of diversity in culture play a role in moderating the theories of leadership. Because gender is the key individual difference that is strongly affected by cultural background, more research on gender-specific differences that reflect the development of different cultures is also required. To this end, there is recent evidence suggesting that gender and culture may interact within specific national cultures to influence behaviour in work contexts. For example, learning regarding appropriate gender-based behaviour and gender-relevant behavioural preferences starts in early childhood through observational learning, and the images of such gender are reinforced by groups within a culture. Thus, culturally-based beliefs regarding gender-specific behaviour are learned early in life, and over time can result in significant differences in constructs such as values, needs and specific attitudes, for instance, attitudes towards work. With the trend toward globalization, it is becoming even more important to understand how difference across cultures, including gender-based differences within cultures, may affect theoretical systems developed mainly in North American and

Western contexts, i.e. the dominant theories of leadership in organizational literature (Fein *et al.* 2010).

Evidence from extant literature on leadership indicates there are distinct differences in the leadership of respondents from different countries. Moreover, scholars argue that culture provides mental programming that defines expectations for the leadership style. Culture is a collective and social construct that, among other things, expresses itself through the expectations of leader behaviour. National entities are relatively stable configurations of the structure of identities and interests codified in the form of formal rules and norms that shapes collective beliefs, attitudes and culture (Biswas, Varma 2011).

3. International management development

Management development is a broad term that describes a range of activities involved in improving managerial performance. When organizations embrace a strategy of adapting to business in other cultures, creating developmental activities that increase the cross-cultural communication and relational abilities of managers can become a key objective (Hawrylyshyn 1985). In particular, understanding cultural determinants of behaviour is often a critical part of producing higher skills in communication and in relating to others in cross-cultural contexts. Moreover, in the case of an organization venturing into different cultural markets, the degree of fitting for a particular new market may depend largely on the skills of managers in adapting their communication and other interpersonal behaviour to a new culture.

Scholars and practitioners consider leadership training to be the central type of management development of cross-cultural operations. Specifically, leadership training is a type of management training that includes a primary focus on communication with various types of people, primarily to influence individuals to exert effort towards organizational objectives (London 1985). A key aspect of the interpersonal skill required by effective managers is to effectively modify interpersonal communication. Modifying communication styles is particularly relevant when the groups of subordinates bring important differences in values, beliefs and preferences such as specific types of leadership behaviour to the work environment. Thus, it makes sense to include information on preferred leadership preferences when developing and implementing managerial training for adaption within a new cultural setting.

In this respect, a key aspect of intercultural competence is to develop listening, observational and communication skills so that personal values, norms and behavioural preferences can be compared to those of managers from other cultures. As noted by De Bettignies (1985), if managers can be sensitive to such differences they are then able to adjust their own communication and other interpersonal behaviour to best match the preferences of people from other cultures. The managers who are effective in this process will tend to decrease perceived uncertainty during cross-cultural operations, and this type of development can be critical of long-term organizational effectiveness.

While leadership is a broad term, the essential aspects of leadership tend to focus on influence processes used in organizations – specifically in influencing employees to willingly contribute to the attainment of organizational goals (Hackman, Johnson 2004). The theories of leadership inhabit a large conceptual range and include approaches that focus on individual differences, situational characteristics or some combination of the two. Most researchers agree that there has been significant progress from early trait and behaviour-based theories to present thinking that stresses the composite theories of leadership, although the consideration of specific perspectives and particular contexts still appear in literature (Zaccaro 2007).

In recent years, interest has been paid to a broad spectrum of leadership behaviour, such as transactional and transformational leadership, as well as to their cross-cultural applicability (De Hoogh *et al.* 2005; Tsui *et al.* 2006). Some recent theories assert that two major types of leader behaviour – transactional and transformational – are both necessary for effective leaders and may be present in various combinations depending on situational demands (Avolio, Bass 2002). Thus, much current work in leadership research asserts the importance of specific transactional and transformational leadership behaviour, although modifying elements such as situational demands and specific organizational contexts are still considered relevant (Rubin *et al.* 2005; Schaubroeck *et al.* 2007).

Despite limitations on scholars' studies, there has been a view that transformational and transactional leadership theories will have a universal application because these models have the capacity to be adapted in different cultural settings. Some management writers advocate that transformational leadership promotes greater participation within collectivist cultures because the followers are more likely to accept and identify with their leader's ideology due to high power distance and acceptance for authority. Given the findings from Japanese organisations, as well as from sample research conducted in Singapore, researchers are convinced that in collectivist cultures, the emergence of a transformational style is associated with leadership success (Perrin *et al.* 2012). However, more exploration is required in order to develop a strong and consistent picture of the generalizability of culturally-linked leadership styles. It is likely that leadership styles are perceived, evaluated or enacted differently in diverse cultures because the meaning and importance given to the concept of leadership vary across cultures. By comparing and contrasting the number of cultural frameworks of leadership styles as well as drawing conclusions as to the relationship between leadership styles and culture, more holistic understanding can be attained.

Relatively few studies dealing with possible cultural influences on leadership styles, differences in the leadership approach practiced in other countries and generalisable leadership styles have taken into account. Reliance and generalization based only on limited research raises significant research questions of studying differences in leadership styles across cultures. International studies are necessary to uncover new

relationships by forcing research on broadening cultural variables. From a managerial perspective, variations in leadership styles pose difficult challenges for organizations, especially when expanding their operations internationally. These corporations may often have to contend with diverse cultural values, norms and behaviour under conditions much different from the host country. Hence, it is critical to examine the influence of culture-specific forces on differences in leadership models.

3.1. Transactional and transformational behaviour in non-Western countries

Transactional leadership behaviour involves structuring performance environment to assist employees in achieving organizational objectives and receiving rewards, whereas transformational behaviour focuses primarily on creating changes in the followers' values, self-perception and psychological needs. A growing body of research suggests that both types of behaviour are associated with effective leadership. Although transactional behaviour often results in successful leadership (Avolio, Bass 1991), it appears that transformational behaviour may make an added contribution via emphasis on intrinsic motivation that augments the extrinsic elements of the transactional approach. In present studies, scholars still measure behavioural preferences for both transactional and transformational leadership, as these categories are frequently used in leadership research (Bono, Judge 2004). Furthermore, preferences for the types of leadership behaviour are frequently related to gender in various studies (Beam *et al.* 2004; Vecchio, Boatwright 2002).

In addition to gender effects, there is evidence that individual receptivity to transformational and transactional leadership may be moderated by cultural context. Specifically, the positive relationship between transactional leadership behaviour and desired employee attitudes (e.g. satisfaction with supervisor, organizational citizenship) appears to be the strongest for employees from individualistic cultures while the positive relationship between transformational leadership and desired attitudes is the strongest for employees from cultures with collectivistic values (Walumba *et al.* 2007).

As pointed out in the introduction of this article, although the issue of organizational leadership has attracted a great deal of interest in social science literature within the last century (e.g., Kaiser *et al.* 2008), the majority of these studies are based on conceptual models or data derived from either Western or North American cultures. In recent decades, researchers have increasingly called for the re-examination of current social science theories with the goal of detecting to what extent theories drawing upon Western or North American cultural values and precepts are tenable with non-Western individuals (Hofstede 2001; House 2004). For instance, Peng and Tjosvold (2008) suggest that the quality of leader-subordinate relationship may relate differently to conflict resolution tactics among Chinese rather than among Westerner individuals where regardless of salient interpersonal relationships, cultural values predispose Western individuals to open-conflict management while Chinese individuals are predisposed to conflict avoidance. Knowledge of such differences is particularly important when addressing the issues of management development across cultures.

How do the leaders act to be effective in their cultures? Why is culture “the software of the mind?” Why do many leadership styles, attributes, traits and philosophies account for extensive literature surrounding leadership? (Jogulu 2010).

To answer these questions, scholars found that transactional leadership was aligned with the ratings of managers from Africa, Malaysia and transformational leadership scales correlated with Australian and Taiwanese researches. Both transactional and transformational behaviour reflected leadership styles in African, Indian, Chinese (Hong Kong), Malaysian, Romanian, Turkish, Thai, United Arab Emirates researches (Butler 2009; Kemavuthanon, Duberley 2009; Hu *et al.* 2010; Altintas 2010; Cheung, Chan 2008; Fein *et al.* 2010; Biswas, Varma 2011). Those findings support other research proposing a direct impact of culture on leadership styles (Ayman, Korabik 2010; Cheung, Chan 2008; Jepson 2009; Russette *et al.* 2008).

In Malaysia, Africa and United Arab Emirates, high power distance is argued to have determined the leadership style because strong power distance cultures prefer an autocratic leadership approach (Hofstede 1980).

The culturally contingent leadership style in India, Malaysia, Romania and United Arab Emirates also suggests interesting possibilities. There appears to be a strong culture-specific influence on the nominated style of leadership. This is because in collectivist cultures, people like to pay greater attention to in group harmony and maintaining relationships. Subordinates tend to avoid direct debates and get through tasks quietly because the leaders set clear expectations of how roles should be enacted. Managers are viewed as authority figures in organizations and open discussions on conflicts are not encouraged. Such role expectation creates a propensity for Indian, Malaysian and Romanian managers to lead in a transactional manner, because their values and beliefs influence their behaviour and identify leadership actions that are legitimate and acceptable.

The emergence of transactional leadership in the Malaysian, Indian and Romanian context underscores the acceptance of a paternalistic style of leader-subordinate relationship which is culture-specific (Biswas, Varma 2011). Managers feel comfortable in acting in a transactional manner, being more directive or setting clear limits and expectations to their followers because of the identified societal value of “paternalism”. This assertion supports other empirical studies (e.g. Abdullah 2001) where paternalistic leadership is perceived positively. In collectivist cultures, managers are expected to act as the parents of extended family members and protect the wellbeing of their staff. Organizations are managed as families where father is the head of an organisation and employees are the children. The paternalistic approach within the transactional style is “contemporary” and more considerate than directive, controlling, commanding would imply.

In high “power distance” cultures such as India, Malaysia and Romania, the followers are expected to accept orders and directions more readily from superiors out of respect for people in power. It is the implicit leadership theory arguing that the followers have specific assumptions about what constitutes effective leadership. These followers utilize such beliefs and assumptions to recognize and distinguish their leaders

and non-leaders. Therefore, in the Indian, Malaysian and Romanian context, the leaders exercising status, power and authority are accepted and tolerated; they are not questioned or challenged because the society acknowledges the fact that inequality between people exists and such behaviour should be expected (Jogulu 2008; Hofstede 1980). The importance of power, status and hierarchical differences and its influence on leadership styles are reported in the scholars' studies.

However, Australian, Chinese (Hong Kong), Taiwanese and Turkish self-ratings showed a visible preference for a transformational leadership style suggesting there is a culturally-linked preference. This closer match between one's leadership style and cultural profile is open to interesting interpretations. Since leadership is a process of influencing others to agree about what needs to be done and how it can be completed effectively, managers' behaviour facilitate the outcome and efforts for accomplishing shared goals. In the Australian, Chinese (Hong Kong), Taiwanese, Thai and Turkish context, transformational characteristics serve this purpose. The Australian, Chinese (Hong Kong), Taiwanese and Turkish cultural context brings about harmonious and equal leader-subordinate relationship because the role of a manager is typically viewed as a co-ordinating role. In this case, leaders encourage direct disagreement and choose more open discussion procedures to resolve problems and disputes to avoid the risk of misunderstanding. Cultural norms and values are internalised as managers and subordinates grow up in an egalitarian environment such as Australia, suggesting that the managers in charge of other staff are only seen as someone who coordinates and delegates work.

In addition, leaders in egalitarian cultures are most concerned about progress and individualism. Therefore, they are mindful of being a visionary leader to provide intellectual stimulation and articulate goals to subordinates and identify with employees. Australian culture shapes managers' attitudes and behaviour into someone able to be participative, consultative and cooperative in making decisions when dealing with staff (Jogulu 2010).

In terms of approaches to leadership styles, researchers have found that Chinese (Hong Kong), Thai and Taiwanese employees who were originally from collectivist cultures, generated more ideas and worked more effectively with a transformational leader compared to Malaysian and African respondents. Based on these findings, the researchers proposed that transformational leadership would be more valued in collectivist cultures because subordinates would identify with and be drawn towards the traits of transformational leadership, especially towards those emphasizing collective organizational goals and the share of a common workplace mission.

Thus, an important point is to recognize that different cultures maintain different sets of norms and beliefs towards leadership styles because they reflect different concepts of how reality is viewed and practiced. Number of particular scientific studies of different cultures leadership styles in outside the so called Western and North American leadership perception is overviewed in the Table 1 (Butler 2009; Kemavuthanon, Duberley 2009; Hu *et al.* 2010; Altintas 2010; Cheung, Chan 2008; Fein *et al.* 2010; Biswas, Varma 2011).

Table 1. Leadership styles interpretation in number of African, Asian, Australian and East Europe countries

Country	Leadership style	Leadership result	Research findings
Africa	Model of effective leadership practices	Establishment of the link between African culture and leadership practices and their implications for the economic growth on the continent.	Definition of the uniqueness of leadership on the continent. Constraining leadership development. Offering both types of impact on leadership. Offering a conceptual framework that integrates different perspectives on the relationship between culture, leadership and organizational performance.
Australia	Leader Behavioural Flexibility (LBF)	Contribution to positive organizational outcomes.	Australian managers exhibited significant degrees of LBF. The results suggested that education level and group size might be antecedents to LBF. It appears that leader-member exchange may mediate the relationship between LBF and positive organizational outcomes, while social intelligence may moderate this relationship.
China (Hong Kong)	Chinese leadership styles with reference to Confucian and Daoist schemata	Elucidation of Chinese leadership styles with reference to Confucian and Daoist schemata.	Chinese leadership styles based on relationship building, virtuous practice, hierarchical and centralized organization, humility and self-effacement. These practices are conducive to trust, cooperation, competence and other achievements in staff. Contributions to Chinese leadership styles tend to reflect a security theory that sustaining followers' security appears to mediate leadership practices and their outcomes.
India	Transformational leadership and transactional leadership	Examination of the relationship between psychological climate and transformational leadership with employee performance.	It was found that organizational psychological climate and transformational leadership predicted job satisfaction. Job satisfaction, in turn, predicted employee performance and a composite measure of in-role and extra-role performance.

Continue of Table 1

Country	Leadership style	Leadership result	Research findings
Malaysia	Implicit Leadership Theory (ILT)	ILT affects the quality of leader's exchange within his or her followers.	A distinct Malaysian ILT has been recognized. It has also been found there are differences in the ILT of different ethnic groups in Malaysia.
Romania	Transformational and transactional leadership	Examination of preferences for both transformational and transactional leadership behaviour for gender- and age-based cohort difference. Enhance leadership and organizational change initiatives in Romania via the identification of age cohort and gender effects with respect to attitudes towards common leadership behaviour.	The findings reveal that there are differences in preferences for leadership behaviour based on age cohorts that reached maturity before or after the fall of Ceaușescu during the 1989 revolution. Female participants displayed a greater preference for transformational leadership behaviour relative to transactional leadership behaviour.
Thailand	Leadership constructed through accounts of the leaders and their subordinates	The model of leadership can potentially enable the leaders and their subordinates to have a better understanding of the qualities, structure, boundaries and processes of leadership, which can be useful for testing the application of the model in other settings and contexts.	Benefits to the leader oneself, to others and mutual benefits. The findings suggest that "philanthropy" and "thinking beyond self-interest" are the crucial qualities of leadership that make other people want to follow the leaders' path.

End of Table 1

Country	Leadership style	Leadership result	Research findings
Taiwan	Transformational leadership	Positive impact on the job satisfaction of employees while job satisfaction has a significant influence on employees' work behaviour.	The findings supported the hypothesis that there was a positive and statistically significant relationship between transformational leadership and employees' job satisfaction.
Turkey	Transformational leadership and transactional leadership	Investigation into differences in leadership styles and the effect of pre-managerial and managerial experience on the leadership style in a gender-based context.	It was found that men and women managers had no differences in team-oriented and participative leadership styles.
United Arab Emirates	Leader – Member (LMX) Exchanges	Care for personal relationships with a diverse group of people that in turn builds better leader-member exchanges, trust and organizational commitment.	Quality of exchanges and relations between supervisors and subordinates is related to the work experience of employees. Leadership should be top-down and emphasize charisma to win employees' admiration and increase satisfaction. Commitment to the organisation is related to the quality of supervisor-subordinate relations.

The introduction of a new economic policy in China, Hong Kong, India, Taiwan, and Thailand resulted in major changes in the economic behaviour of the employees therein. According to scholars, these types of socio-political upheavals lead to environmental transitions, which in turn affect organizations and their members. Such changes in the business environment lead to quite a few adjustments at the individual and organizational level. At the individual level, the primary factor that is affected is individual perceptions about one's immediate environment, also known as psychological climate. Thus, it is clear that changes in the business environment impact psychological climate, which in turn affects a number of other individual behaviour and outcomes.

3.2. Leadership conceptual transformation model

Aristotle (Scult 1999) suggested that “all human beings by nature desire to know”. The researchers have explored the role of cognition in leadership focusing on the basic levels of cognitive ability, knowledge of self, cognitive complexity and the formation of mental models, particularly related to the perception of reality.

There are explicit differences between cultures, particularly in terms of the values, attitudes and behaviour of individuals; this divergence has implications for leadership in organizations (Alves *et al.* 2006). Previous leadership studies have concentrated on the leaders themselves, including their actions, styles and philosophies and the acceptance and appropriateness thereof for various leadership styles. Increasing numbers of studies also reveal that varying leader behaviour and actions are interpreted and evaluated differently depending on their cultural environment, and are due to variations in the people’s ideas of the ideal leader with some approaches being favoured and others perceived as less effective. These variations exist because the meaning and importance given to the concept of leadership appears to vary across cultures (Jung, Avolio 1999; Jogulu 2010).

Leadership theories traditionally developed in individualistic societies represent effective leadership as an action of producing greater and better financial results, which encompasses the outcome from the leader’s behaviour rather than a particular type of behaviour. These theories are drawn on the manifestations of self-interest such as mentoring, networking and other personal initiatives prevailing in individualistic cultures. However, it is anticipated that the leaders in collectivist cultures will view leadership effectiveness as a long-term goal resulting from subordinate loyalty, extra effort and satisfaction with the leader. Furthermore, collectivist cultures prioritize the needs of the group, family and the overall community when engaging in leadership actions. Therefore, the values of mutual obligations require leaders to give the followers protection and direction in exchange for loyalty and commitment.

Similarly, leadership theories typically advocate a democratic view of attaining leadership roles arguing that “anyone can get to the top”. However, again, this concept draws from an individualistic perspective based on the cultural variable of low power distance (Hofstede 1980). Small power distance cultures believe that roles and responsibilities can be changed based on individual effort and achievement, and that someone who today is my subordinate, tomorrow could be my superior. Yet, in high power distance cultures, social status, titles and positions are highly regarded because they dictate the way others treat and behave towards you, thus, leaders and their subordinates consider each other as unequal. Therefore, it is anticipated that leadership styles in high power distance cultures will seek to demonstrate tolerance, respect for age, compromise and consensus in formulating rules for working together, which is acceptable to all.

Many recent leadership theories indicate that leadership styles are transforming at a rapid pace to keep up with globalization and flattening organizational hierarchies. The leaders operating in such a turbulent environment are required to possess a specific set of skills. Of the two leadership styles measured by Multifactor Leadership Questionnaire (MLQ), the transformational leadership approach has repeatedly shown the benefit of using a communal approach to new paradigm leadership (Rosette, Tost 2010). In particular, new paradigm leadership behaviour spread through transformational traits such as inspirational motivation and individualized consideration is increasingly regarded as effective leadership, because it is essential for developing subordinates and creating environments that encourage continuous learning (Perrin *et al.* 2012).

In consequence, the Leadership conceptual transformation model is determined to illustrate a path towards achieving a more complete and accurate view of leadership styles in an expanding global environment and understanding different cultures and beliefs about new paradigm leadership perspectives (Fig. 1).

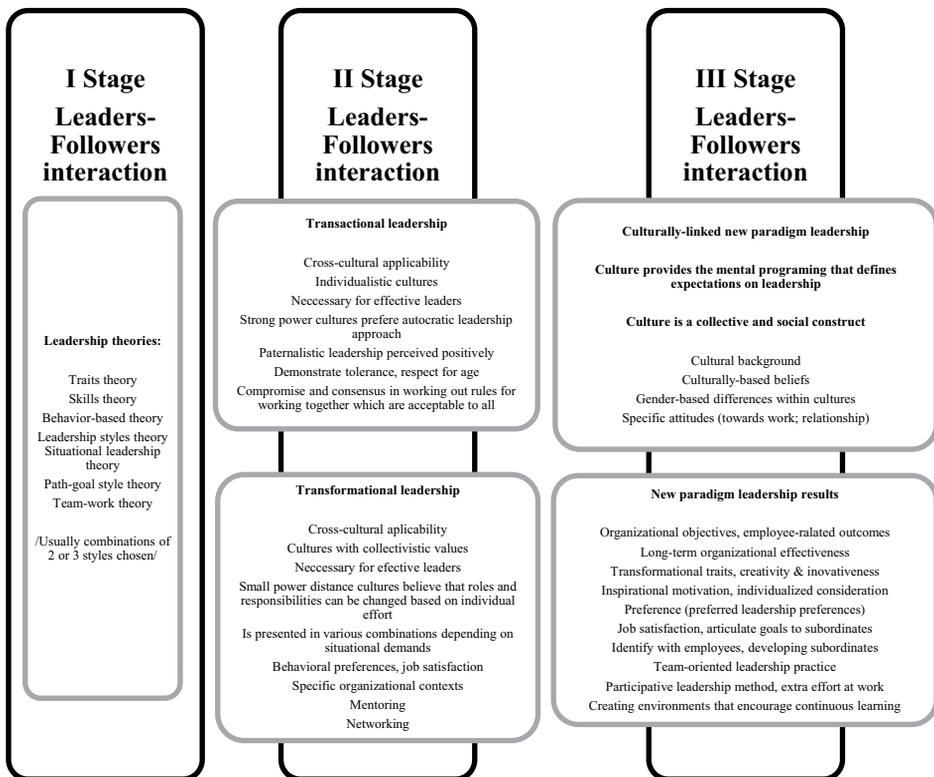


Fig. 1. Leadership conceptual transformation model (Source: created by the author)

The presented studies on scholars' research take a cue that the perceptions of organizational members become critical data for understanding and interpreting individual behaviour and attitudes. Such understanding shows that climate variables, if individually interpreted, become pointers for an employee's level of job satisfaction. Clearly, individual and behavioural factors at a group level have a significant impact on individual level outcomes. In this context, Bryman (1992) found that an important predictor of individual level outcomes, such as perceived extra effort at work, organizational citizenship behaviour and job satisfaction was transformational leadership. Similarly to psychological climate, transformational leadership was also found to influence employee-related outcomes during the periods of intense economic competition that required higher levels of creativity and innovativeness (Howell, Avolio 1993). Thus, it is clear that during the periods of upheaval, there are higher expectations about goal achievement. Due to the consequent role clarity provided by transformational leadership, it is expected that these enhanced goals shall be achieved and there is a general atmosphere of positive anticipation, which leads to higher levels of job satisfaction.

Further, transformational leaders are those who enthuse and inspire their followers and base their relationship on mutual understanding and trust, which involves fruitful non-verbal communication. Such leadership behaviour inculcates a sense of self-belief and confidence in the followers. This in turn, would make employees less lackadaisical and open more meaningful interpretation of their work related roles. This is the process by which transformational leadership as a new style of paradigm leadership affects individual job satisfaction levels.

In this connection, positive levels of psychological climate, transformational leadership and a new style of paradigm leadership lead to higher levels of individual employees' job satisfaction and to higher levels of employee performance. This implies that satisfied employees who are themselves enthused enough about their work roles will display higher levels of in-role and extra-role performance. As Voss et al. (2004) observe, augmented job satisfaction would result in higher levels of employee productivity in conjunction with employee group behaviour.

In this context, what is posited to happen in a practical context is that an employee who is satisfied with his/her job, i.e. enjoys job satisfaction will definitely not wish to run down his/her status quo and would strategize to maintain the same (i.e. the current level of high job satisfaction) by displaying continuous improvement with regards to in-role and extra-role performance, the summation of which would reflect his/her overall job performance as an employee.

4. Conclusions

There has been limited empirical research on the topic of leadership, gender and learning in organisations within the social and cultural contexts of developing economies. In this regard, it has been argued that 98 per cent of the empirical evidence relating to

leadership is American in character (House, Aditya 1997), and that even newer leadership models have been influenced by North American studies (Bryman 2004). This might be the result of weaknesses in the epistemological assumptions that underpin management theories developed in Western countries are based on the belief that they are universally valid and culturally free (Komin 1990). However, there is increasing recognition that leadership concepts are culturally constructed (Hofstede 1998; House 2004). Moreover, cultural, social, economic and political changes enable society to become more complex and change what is regarded as the crucial components of effective leadership. Therefore, it is necessary to re-examine and re-analyze structures and relationships in leadership research to fit varying different cultural and social realities in different countries (House 1995).

This study likely develops the work of Greenleaf and Senge, however, there has been earlier tendency to assume universal applicability and ignore the cultural dimension in the theories (Tsang 1997). The article highlights the importance of social and cultural context for present expanding globalization. Although this is only a small-scale study, it does put emphasis on the role of the influence of non-Western countries on leadership. Further studies and researches would examine the extent to which the ideas developed in this case fit in other organisations in Asia, Arab Emirates, Eastern Europe and former socialist countries in other societal contexts.

In conclusion, this study shows that leadership cannot be divorced from context. Assuming the nature of the society of a particular country means that understanding leadership perspectives requires perceiving particular cultural dimensions of the non-Western region. However, this research is exploratory; the purpose of this study is not to generalize across all organizations or societies but to develop a model of leadership as constructed by the leaders and subordinates in community organizations. Hopefully, the Leadership conceptual transformation model would potentially enable the leaders and their subordinates to have a better understanding of the qualities, structure, boundaries, processes and development of the new leadership paradigm in the worldwide context.

Along with the globalization and expansion of organizations across the borders, numerous challenges and opportunities exist for leadership development. Different cultural beliefs and values emphasize a pressing necessity of understanding and acknowledging culturally-linked leadership styles. Openness towards cultural sensitivities that may be radically different from personal values and beliefs is a crucial point of the new paradigm of leadership effectiveness.

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LYDERYSTĖS STILIŲ TRANSFORMACIJA TARPTAUTINIŲ RINKŲ KONTEKSTE

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Santrauka

Nepaisant išsamių tyrimų trūkumo, daugelio mokslininkų požiūriu, transformacinės ir transakcinės lyderystės stilių teorijos turėtų tapti universaliomis, kadangi šie lyderystės modeliai gali būti efektyviai taikomi tarptautiniu mastu veikiančiose įmonėse ir organizacijose. Tolesni tyrimai yra būtini, siekiant sukurti validų tarptautinės lyderystės apibūdinimą bei efektyvaus lyderio paveikslą. Įvairių kultūrų lyderystės stiliai yra nevienodai suvokiami, vertinami ir akceptuojami dėl vyraujančių paradigmų, tradicijų, vertybių, šalių identiteto bei religinių skirtumų. Siekiant palyginti ir analizuoti įvairių kultūrų lyderystės modelius, būtinas holistinis požiūris į lyderystės stilių transformaciją pasaulio rinkų globalizacijos kontekste.

Reikšminiai žodžiai: transakcinė lyderystė, transformacinė lyderystė, naujosios paradigmos lyderystė, lyderystės stilius, tarpkultūrinė lyderystė, tarptautinė vadyba.

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