Evolving Concepts of Organisational Leadership

V Anantaraman*

Universiti Pertanian Malaysia

Introduction

Leadership concepts are still in a transitional stage, but they can be classified into three broad categories: transactional leadership, transformational leadership and contextual leadership. The key element that differentiates these three types of leadership is the nature of the environment in which they operate. Specifically, transactional leadership is suitable for a relatively stable environment; transformational leadership works well in an environment that has undergone a total change but of the Lewinian type (i.e., a change which when it occurs can get refrozen after a systemic realignment); and contextual leadership is usually found in a turbulent environment where change is constant, chaotic and unpredictable.

Transactional Leadership

Transactional leadership, according to Bernard Bass, is a rational exchange process in which the subordinates’ needs are met if their performance measures up to their leader’s requirements indicated in an explicit or implicit contract. The focus is on contractual obligations, goals and rewards, and the leader’s power stems from his ability to provide rewards for subordinates doing what the leader thinks should be done. The leader provides direction and acts as the source of wisdom. But in organisations with adequate opportunities for mobility, the subordinates themselves may determine what should be a fair requirement of their performance, instead of merely complying with the leader’s demands.

* Dr V Anantaraman is a Professor in the Faculty of Economics and Management in the Universiti Pertanian Malaysia, Serdang, Selangor.
Transactional leadership evolved to meet the requirements of an organisation in a relatively stable environment where changes are not only marginal but few and far between. Examples are, the introduction of a new production method, a minor structural change such as the addition of a new department or a change in personnel practices like a switch to a flexible wage system. In other words, transactional leadership operates where changes take place within an organisation's established culture and within the parameters of its existing organisational strategy, structure and processes. The leadership model in such an environment is centred round the man at the top or the Chief Executive Officer who is deemed to be the repository of all wisdom and direction, and who manages the organisation with the help of a structural hierarchy and the support of bureaucratic processes.

The leadership styles of the 60s and the 70s fall into the category of transactional leadership. Be they directive or supportive leadership, they focus on getting subordinates to meet their job requirements in the context of existing organisational parameters. These leadership styles have been the subject of behavioural and situational leadership studies, with which we are all familiar.

**Transformational Leadership**

Transformational leadership is directed at bringing about strategic organisational change in response to competitive, technological or regulatory changes in the environment. It is characterised by a transition from one period of stability to another. According to Nadler and Tushman, strategic organisational changes in the form of either reorganisation or reorientation are made only in response to the Lewinian type of changes in the environment.

Nonetheless, such a strategic organisational change is so total and system-wide that it calls for a charismatic leader who has the vision to bring it to fruition. The change not only encompasses the organisation's structure, strategy and processes but also the organisational culture. Change to the organisational culture is important as it must support the revised strategy, structure and processes if the idealised goals of the charismatic leader, which are undoubtedly different from existing goals, are to be achieved. Transformational leadership therefore aims at higher order changes and quantum leaps in the followers' performance in an organisation facing a totally changed environment.

The transformational leader, like the transactional leader, is also the source of all wisdom and direction. In addition, he is a visionary and
is able to use his charisma to motivate his followers to realise his vision.\(^6\) The power that he possesses stems from his charisma which is what inspires his followers to look to him as a leader and follow his vision.

Charismatic leadership theory argues that charismatic leaders affect followers in ways that are quantitatively and qualitatively different\(^7\) from how the traditional leaders affect their followers. According to traditional leadership theories, traditional leaders exert control over their followers’ environment in terms of control over their rewards and punishments, job characteristics, authority relations and human resources training. Charismatic leaders in contrast, transform the needs, values, preferences and aspirations of their followers.

Charismatic leaders motivate their followers to make significant personal sacrifices in the interest of certain missions and perform over and beyond the call of duty. They are able to do so by arousing the emotions of the followers, making them emotionally attached to the leaders. As a result, followers are motivated to serve the interest of the larger collective and less motivated by self-interest.

The impact of charismatic leadership on the followers is reflected in some specific typical responses. They include performance beyond expectations; changes in fundamental values and beliefs; devotion, loyalty and reverence towards the leader; a sense of excitement and enthusiasm, and a willingness on the part of the followers to sacrifice their own personal interests for the sake of the organisational needs.\(^8\)

Instrumental leadership takes a step further from charismatic leadership in the way it translates vision into organisational reality. Although charismatic leaders can bring about large system change, their vision and charisma are not sufficient for change of a transformational character. Nadler and Tushman argue that charismatic leadership plays a largely inspirational role focusing on the excitement of individuals and changing their goals, needs or aspirations, but not on making sure that individuals in the organisation, especially the senior management, behave in ways needed for the change to occur. Charismatic leadership must, therefore, be bolstered by instrumental leadership.\(^9\) In addition to his vision and charisma, the charismatic leader must have the skills to create a dense infrastructure of objectives, strategy, structure and processes as instrumentalities to translate his individual vision of the future into organisational reality. Furthermore, these instrumentalities must not only be institutionalised but must also have a built-in learning system to facilitate flexibility in the proactive process of strategic organisational change. Nadler and Tushman draw our attention to cases of reorganisation that have failed either because the charismatic leaders lacked the
instrumental skills or because they did not have a trusted lieutenant to fill this void.\textsuperscript{10}

In illustrating the instrumental leadership skills, they refer to attempts by successful transformational leaders to create and develop "top management teams" committed to their vision. A transformational leader may form such a top management team by revamping the cadre through outplacement or replacement from outside if necessary. Members are both objectively and symbolically empowered through their designations of special titles, and their status as the leader's trusted associates. The change process is conveyed to the other ranks in the organisation through the high visibility that the leader gives his lieutenants at company functions and presentation ceremonies, etc. The leader himself may coach, guide and support the team, helping it to overcome obstacles and win the commitment of operating managers below them to sign them up for change. He may broaden the base of the senior management team by creating consultative structures, such as the Corporate Policy Groups comprising 35 senior managers and the Corporate Management Group of 120 managers created by Corning Corporation.\textsuperscript{11} He may also encourage and guide the top management team to create consultative structures like councils, boards, committees and conferences into which operating managers can be successfully co-opted. These operating managers can then be given higher visibility, and suitably and symbolically empowered to lead changes. Finally the transformational leader is also likely to set up funds, and plan for management development programmes to re-educate managers in dealing with the system-wide change. For example, he may establish a management training institute, organise in-house training by outside experts or send managers to attend university programmes.

A point of emphasis is that while these instrumentalities – structures, systems and processes including core values contained in the vision – are institutionalised, care should be taken to build into them a learning process with a view to keeping them flexible for adaptation to future changes. A good example of a structure with built-in flexibility is the Management Development Institute established at General Motors. The curriculum at this institute has changed its content from short-run cognitive orientation to include long-term problem solving and organisational change so as to educate managers in continuous change. It is interesting to note that Nadler and Tushman caution management teams, particularly the top team, to be wary of becoming victims of Group Think, and, we may add, of the Abilene Paradox.\textsuperscript{12} To ensure that there
is someone to question and challenge the leadership and prevent it from falling into complacency, they also suggest assigning the role of constructive criticism to carefully selected “managers without portfolio”.

Super leadership, like the transformational leadership concept, seeks to expose the inadequacies of the charismatic leadership. The super leadership and the transformational leadership concepts are similar in that they both aim at bolstering the charismatic leadership. However, while the latter seeks to do so by the instrumental leadership concept, the former, by the super leadership concept. Unlike Nadler and Tushman, Manz and Sims do not seem to visualise the charismatic leader as some heroic leader with a vision, who has all the answers and is able to bend the will of others to his own, but as one who makes his followers into leaders to lead the change.

The super leader has the ability and skill to teach, coach and guide his followers to become self leaders. He becomes super by helping to unleash the abilities of the followers which consequently makes it possible for him to be imbued with the strengths and wisdom of many persons. Therefore a leader in the process of becoming a super leader first becomes a self leader himself. He acts out the role profile of a self leader consistently so that his followers can emulate him while receiving guided participation coupled with support and encouragement from the super leader to become self leaders.

The self leader is depicted as one who believes in setting goals for himself and designing his own monitoring system. He values natural and self-administered rewards such as a sense of competence, confidence and purpose for task performance. His punishment system takes the form of self-criticism or self-reprand for his mistakes and inadequacies. Finally, he adopts consciously cultivated, positive thought patterns such as “opportunity thinking” instead of “obstacle thinking”.

In the super leadership concept, the focus is on the followers since the aim of leadership is to make them work creatively and synergistically without the leader telling them what to do. Power initially rests with the super leader while he helps the followers develop self-leadership skills, but later it is shared with the followers. The concept also calls for a self-leadership culture in the organisation, which values human resources; it is based on a positive belief in human nature and is a departure from the entrenched negative thinking. In sum, the super leadership concept challenges the traditional hierarchical authority and decision making structure, negative assumptions about human nature as well as the bureaucratic culture that they spawn.
Contextual Leadership

Contextual leadership focuses on the leadership of the organisation in the context of continuous, chaotic change in its environment. Visionary and charismatic leadership with embellishments like super leadership and instrumental leadership could still be effective if the organisational environment changes in the Lewinian sense. However where change is not simply a manifestation of a transition from one period of stability to another, but is constant and chaotic, a new concept of leadership is called for. Such changes characterise the post-industrial society in which unpredictability rules and one of the problems faced by the leaders is not knowing what problems will arise.

Peter Vail uses the metaphor of “permanent white water” to capture this unpredictable and turbulent nature of organisational environment. Leading and managing an organisation can be likened to negotiating a canoe in the white water of the rapids – not merely a wild part but an unpredictable wild part of a river – where a planned course of action based on tried out methods is not possible.

Vail’s contributions to leadership in chaotic environment come in the form of a guidance system, but this guidance system is presented in terms of ideas, not techniques. His system pivots round “managerial consciousness”, and he suggests that making it open and flexible can help the leader-manager work effectively under conditions of permanent white water.

By contrast, a closed and inflexible managerial consciousness is plugged in a belief that “not only our understanding of management is given but our capacity to understand (to learn) is also given”. In other words, it reflects an attitude that there is nothing new to learn about management. This attitude leads to what Vail calls “technoholism” or undue faith in the validity of familiar management techniques in unfamiliar situations of the rapids.

Countering this, Vail argues that managerial consciousness can be kept open and flexible through managers learning a few lessons from performing arts and also acquiring the Wu-Wei consciousness of the Taoist philosophy. Leading and managing a theatre group, for example, is not different from managing an organisation in an uncertain emerging context since it operates on the premise that “the show should somehow go on” despite the odds against it. Developing the Wu-Wei consciousness can therefore help a Western manager refrain from taking action for the sake of taking action, but to indulge in non-action by swimming with the current, so to say, and getting completely attuned – physically, mentally and spiritually – in order to experience and contemplate the situation.
This whole process of staying attuned will trigger the stirrings of the spirit within and generate spontaneous ideas to manage even the most trying situation the organisation may face.

In other words, the emphasis is on learning to tap our inner resources for spontaneous thoughts for action in unfamiliar situations instead of depending on forced thoughts for action. After all, forced thoughts which lead to action for action’s sake “could only emerge from the reservoir of familiar management techniques which are unsuitable for unfamiliar situations”. To put it differently, action based on forced thoughts only leads to technoholism.

At a less philosophical and more practical level Vail’s guidance system, by and large, emphasises the following:

a) The need for the top management team to formulate the organisation’s vision, mission and strategy in terms of a coherent value system comprising values in five categories\(^8\) – economic, technological, communal, socio-political and transcendental. These values reflect a holistic conception of the organisation not only as an economic enterprise but also as a human system.

b) Once the big picture – encompassing vision, mission and strategy – has been formulated by the top management team, it has to convey and clarify the gestalt of the big picture to other members of the organisation in order to develop consensus and commitment to it. Vail labels this function “purposing”, and he considers it the central task of management. Understandably, therefore, he defines management as nothing more than “values clarification” though not at the level of individual values but at the level of a coherent value system. He coins another phrase, “Satchmo’s paradox”, to explain the great difficulty the top management will experience in conveying the gestalt of its big picture to others in the organisation. Satchmo’s paradox refers to one’s feelings of helplessness in conveying to another the fullness of his awareness of something.\(^9\)

c) Finally he emphasises that in the context of a chaotic and unpredictable environment, the conception and communication of the organisation’s mission and strategy is not a one-shot effort but an ongoing activity requiring top management to learn to work synergistically, reflectively and spiritually in order to win the commitment of organisational members. It should be reiterated that the formulation of mission and strategy in the context of environmental turbulence depends upon the ability of the top management team to juggle, balance and reconcile conflicting values and priorities in an environment of utmost risk.
Vision and Mission

It is well recognised in leadership literature that the key role of leadership in a dynamic or turbulent environment is to conceive a vision that will link organisational purposes with the personal value systems of the organisational members. According to Conger and Kanungo,20 many theorists see vision and its articulation as components of the charismatic leadership. A vision projects an idealised goal, and if this idealised goal represents a perspective shared by the followers, and if the manner of its articulation by the charismatic leader promises to meet their hopes and aspirations, then the vision will help coalesce organisational members and their activities around that vision.

Warren Bennis21 however doubts the possibility of this happening. In view of widespread "narcissism"22 in the American society, he doubts that any leader, be he bureaucratic or charismatic, is able to conceive such a vision and effectively articulate it to win the commitment of followers. Narcissism makes it very difficult for individuals to find meaning and purpose outside of self and beyond instrumental self-interest. Within an organisation individuals tend to take advantage of their work roles to seek power and prestige rather than involving themselves in meaningful activities and being committed to the tasks and mission of the organisation. "Everyone for himself" typically characterises the organisational climate. In such a situation a leader's vision cannot motivate people or coalesce their activities around it.23

Unlike Bennis, Vail is quite optimistic and his prescription seems to circumvent the problem of linking organisational mission with the personal value systems of its members.24 First, while he acknowledges that the key role of leadership is to conceive a vision to bring about this linkage, he shifts the responsibility of this function from the leader as a single person, bureaucratic or charismatic, to the top management team in the organisation. Second, he argues for a holistic concept of the organisation not merely as an economic enterprise but also as a human system. This holistic concept then serves as the bedrock from which the desired linkage is facilitated. Third, such a holistic concept of the organisation entails the ongoing formulation of the organisation's mission and strategy in terms of a coherent value system comprising not only economic and technological values but also communal, socio-political and transcendental values25. Fourth, in communicating the mission and the strategy to other members in order to develop clarity, consensus and commitment, the top management team has to overcome the "Satchmo's paradox",26 not narcissism of the followers. The Satchmo's paradox is a stumbling block to conveying the gestalt of the mission and the strategy formulated not in terms of individual values but in terms of a coherent
value system. In other words the Satchmo's paradox frustrates the crucial management role of value clarification to win the endorsement and commitment of organisational members to the vision. Finally, Vail recommends the well-known organisation development approach of "strategic management process consultation"²⁷ to build an effective top management team and enjoins its members to work smarter collectively, reflectively and spiritually both in conceiving the big picture and conveying it to organisational members.

**Working Smarter**

Working collectively smarter is working with people, individually or as members of a group and tapping them for ideas and energy. This points to the need for leaders to shed the fantasy of omnipotence and to recognise the fact that they are unable to play the role of coach, teacher and guide because they themselves are learners in the world of chaotic change. At the same time, they should acknowledge that keeping in touch with others enables them to build a support system that would prove to be a crucial factor in the conditions of permanent white water.

There are no standard techniques of working with people as much of it depends upon a leader's individuality and approach. Peter and Waterman²⁸ cite examples of leaders adopting varied methods of working with people. Nevertheless, working with people necessarily entails a reexamination of former theories of human nature, which treat people as objects to be directed and controlled. More importantly, it calls for theories which believed that people can be released from controls so that their potential for creativity can be unleashed.

Working reflectively smarter is the second dimension of working smarter. Reflection is the capacity to reconsider any situation presented by the world, to examine the validity of any idea and to ascertain how true any assumptions are if they are made for a proposed action. In a group situation, reflective thinking consists of reconsidering objectives, reexamining assumptions and constantly checking the degree of consensus among group members as regards the value of an activity lest it degenerates into an empty ritual. Vail argues that in this sense, reflective thinking is an effective antidote to technophilia; a powerful tool to overcome Dialectia²⁹ or ritualistic talk; and a useful means to surmount the Satchmo's paradox.³⁰

The core skill of reflective thinking is the ability to reexamine assumptions underlying human perceptions. Assumptions are about the most fluid aspect of any situation, and especially in the turbulent world of today, they can no longer function as givens but must be subject to
questioning. Finally, reflective thinking is buttressed by an individual's intellectual capability. For the manager, this should include an extensive knowledge of liberal arts besides business subjects.

The third dimension of working smarter is to work spiritually smarter.31 This means paying more attention to one’s inner resources – feelings, insights and yearnings – and basing one's actions on spontaneous thoughts emerging from the stirrings of his spirit. One way to do it is by cultivating the Taoist Wu-Wei consciousness. Vail believes that when an action follows the stirring of the spirit within us, that action will not only be the appropriate action but also an inspired action. An inspired action neither gets tired nor distracted from its goal.

Working spiritually smarter does not necessarily have anything to do with religion. To work spiritually smarter, all you have to have is a “credo” in which you have strong faith (as you may have faith in a religious precept). When you are faced with an ambiguous situation or when you are at cross roads not knowing which way to go, this creed will make it possible for you to attune yourself completely (ie, to bring into accord your body, mind and spirit) and experience and contemplate the situation. This will trigger stirrings of your spirit to suggest ideas for action.

The Irrelevance of Culture

Leadership theorists have shown serious concern about the impact of certain cultural conditions on organisational life and the exercise of leadership in organisation. Vail in particular, is very concerned about dialexia32, a cultural condition in contemporary American society. He asserts that dialexia undermines the influence of an organisational culture on members' behaviour in desired directions as well as vitiates any purposeful mission-oriented discussion conducted by the top management team. To understand the impact of dialexia on organisational behaviour, we have to be clear about what he means by “culture” and “dialexia”.

Vail defines culture as a system of attitudes, actions and artifacts that endures over time and operates to produce among the people to which it belongs a relatively Unique Common Psychology (UCP).33 This psychology does not refer to superficial traits but to the fundamental similarities of thinking and feeling, perceiving and valuing among the members of that culture. Culture is that which runs deep into the psyche.
Once a system of attitudes, actions and artifacts endures over time in an organisation, its culture emerges; when the culture of an organisation is established, its UCP becomes the controlling element of its members' behaviour. The system which has crystallised into culture then filters through the awareness of its members.

What is dialexia? One of the deleterious fall-outs of the information age is the creation of a dialexic society in America. A dialexic society is one that is compulsively devoted to commenting on everything they think and do, and its hero is the commentator. Dialexia arises from the reflex to assume that things are not what they seem. In speech it manifests itself as a pathological insistence on countering any proposal with arguments based on an "on the other hand" mentality.

Dialexia is a cultural condition characteristic of the UCP of Americans. Vail convincingly argues that dialexia destroys the existing organisational culture and prevents the emergence of a new organisational culture, leaving the door open for it to influence the UCP of organisational members and their behaviour.

His argument is as follows: First, in an established organisational culture, the system of attitudes, actions and artifacts which gives rise to the UCP of its members filters through their awareness. But in a dialexic society, buttressed by the massive knowledge industry, dialexia (through commentators) brings these attitudes, actions and artifacts into awareness, have them analysed, and gutted of meaning. As a result the existing culture and its UCP is destroyed.

Second, for a new culture to emerge, a new system of attitudes, actions and artifacts must endure over time and be allowed to produce a new UCP which can in turn influence members' behaviour. However, in a dialexic society nothing is allowed to endure over time, and a new organisational culture and its UCP cannot emerge to replace the existing culture. In sum, in a dialexic society, organisational culture as an organisation specific concept becomes irrelevant in imparting any meaning to its members or in influencing their behaviour.

Unfortunately though, dialexia, which permeates entire organisations, also inhibits the top management team in their ability to formulate the organisation's mission and strategy. Especially in a turbulent and high risk environment, mission formulation depends upon the ability of the top management team to juggle, balance and reconcile conflicting values and priorities but the compulsive, obsessive dialexic behaviour of indulging in fruitless discussions by going round and round works against it. It should be emphasised that dialexia separates thought from action in the sense that it is empty talk without any commitment to action.
Since discussions concern the affairs of the organisation, they appear to have substance and interest, and not to be a waste of time, but they are in fact merely a ritualistic means of filling up meeting time and do not get anywhere.

In considering ways to convert dialetic discussions into mission-oriented discussions, Vail draws from the experience of high performing organisations. He believes that managers who manifest qualities in terms of time, focus and feelings to a high degree are needed to overcome dialexia in top management teams. Time refers to the consistently long hours that a manager spends in order to gain a thorough understanding of his system’s activities; focus refers to the concentrated attention that a manager is able to muster in order to put his fingers on the things needed to fulfill the organisation’s mission; and feelings refer to the openness in expression that the manager is capable of in his interpersonal interactions.

However, Vail feels that though managers may possess qualities in terms of time and focus, they are usually ineffective in expressing their feelings, views and ideas. They are so immersed in management teams that they have become victims of Group Think or Abilene Paradox. As to how openness can be fostered, Vail has no new techniques to suggest other than to expand the scope and efficacy of known interpersonal techniques such as sensitivity training. Alternatively, he suggests that inhibiting factors for open expression should first be discussed in lower managerial groups in the hope that this may eventually lead to self-examination in the top management team.

Lessons from the Performing Arts

Based on the analogy of the performing arts Vail suggests the formulation of the organisation’s mission and strategy in terms of five categories of values. The five categories are as follows.

a Inherent in performing arts is the motivation to perform creatively. This can be seen from the fact that no role is prescribed without relating it to the role player. Management, which often prescribe roles without reference to the role incumbents under the pretext of scientifically determining them, can learn from performing arts. Only then will management not have to enrich roles in order to induce motivation and creativity.
b In performing arts the various disparate elements are harmonised
to produce a cohesive whole, through investing time and energy in
rehearsals. This offers management another lesson in sparing no
effort to overcome organisational drawbacks such as "subsystem
optimisation" which results from "enclavism". Although an "or-
ganic unity" cannot be wROught from employees who are as diverse
as apples are from oranges, an organic unity of feelings is possible
if every employee is made to understand the essence of the organi-
sation's business.40

c The culture of performing arts produces a sort of chemistry among
its members. This unique phenomenon emerges as members learn
the tastes and interests of one another besides their technical com-
petencies. This atmosphere of closeness and intimacy promotes a
cooperative effort without stifling individual creativity. If this inti-
mate atmosphere could prevail in organisations, it could produce an
innovative spirit that is needed to create products, processes and
procedures in conditions of the permanent white water.

d In performing arts, goal attainment is always accompanied by joy
and pleasure among all the members. In organisations, job satisfac-
tion rarely accompanies organisational performance because human
resources are often exploited as a means to achieve management's
ends rather than nurtured to enjoy their roles in organisation. This
is possible when the organisation is viewed not only as an economic
enterprise but also as a human system, and when it focuses on
communal values and espouses measures to enhance employee
welfare and satisfaction.

e A final guideline for management action from performing arts relates
to the quality of performance of the organisation as a whole. A
symphony orchestra, for example, has the freedom to decide on the
quality of its performance, yet it cannot ignore the quality standard
of the wider artistic society. Likewise, an organisation should not be
concerned only with the quality of its organisational performance
alone but must increasingly pay attention to other considerations
such as the need to be a good employer striving to improve the
quality of worklife for its employees, and to gain the approval of the
society as a good citizen. It should be emphasised that incorporating
communal and socio-political values into the mission is an impor-
tant lesson management must learn from the performing arts.
Conclusion

Current leadership literature focuses on leadership in a turbulent environment. The environment is turbulent in the sense that it is constantly changing and can be so chaotic as to become unpredictable. Vail uses the metaphor "permanent white water" to capture this turbulence in which no particular management principles or procedures are valid, no known leadership model is appropriate and the concept of organisational culture becomes irrelevant.

The suggested leadership model shifts its emphasis from one man, bureaucratic or charismatic, to a top management team to meet the challenges of environmental turbulence. The model in its guidance system includes a holistic conception of the organisation both as an economic enterprise and as a human system. It advocates that the top management team should work synergistically, reflectively and spiritually to formulate its mission and strategy in terms of a coherent value system and communicate them to the members. In short, it advocates a leadership concept which focuses on a flexible managerial consciousness, drawing its inspired guidelines from its inner resources in order to lead and manage organisations in conditions of permanent white water.

References

1 Lewinian type of change is a change which when occurred can get refrozen after systemic realignment. For a good grasp of Kurt Lewin's Force Field Analysis Technique of Managing Change, reference is made to Gordon J R, A Diagnostic Approach To Organizational Behaviour, 2nd ed. pp 690-693, Allyn and Bacon, Boston, 1987.


4 Nadler D A and Tushman M L, "Beyond Charismatic Leader: Leadership and Organizational Change", California Management Review, pp 77-97, Winter 1990. Strategic organisational change is called recreation if it is initiated under crisis conditions and under sharp time constraints; it is called reorganisation if it is initiated in anticipation of future events (ibid pp 80-81).

5 Bass B M, op cit pp 39, "Charismatic leadership is central to the transformational leadership process". Conger J A and Kanungo R N, "Toward a behavioural theory of charismatic leadership in organizational settings" Academy of Management Review, Vol 12, No 4, pp 637-647, 1987. Following the attribution approach these authors list the behavioural components of charisma and cite theoretical support for the process by which charismatic leaders impact on followers.
Evolving Concepts of Organisational Leadership


6 Bass B M. *op cit* pp 39. "Charismatic leaders have great referent power and influence. Followers want to identify with them and to emulate them. Followers develop intense feelings about them, and above all have trust and confidence in them. Transformational leaders may arouse their followers emotionally and inspire them to extra effort and greater accomplishment."


9 Nadler D A and Tushman M L. *op cit* pp 85-95.

10 Nadler D A and Tushman M L. *Ibid* pp 87. For example, in the early days at Honda, it took the steadying, systems-oriented hand of Takeo Fujisawa to balance the fanatic, impatient, visionary energy of Soichiro Honda.


15 The guidance system has been abstracted from Vail's book, pp 1-223, and its components have been presented in a form and sequence which will help both the management students and practitioners to appreciate them better.


17 *Ibid* pp 175-190

18 *Ibid* "Five Frontiers of Organizational Values", pp 59-62. Economic values are concerned with acting to maintain an organisation's viability in the environment; technological values are focused on doing the work smoothly and well; communal values focus on developing and maintaining a feeling of community and mutual support for the people who work in the organisation; socio-political values address the need to be seen as a good citizen in the environment; and transcendental values recognize the need to make people feel that the organisation means something more than just what it does or just the money it makes, so that it could lay claim to the loyalty, affection and sacrifices of people who work in it or do business with it.

19 *Ibid* pp 98-111. Satchmo's paradox refers to the problem that one who possesses complex, sophisticated knowledge has in explaining to a lay person just what that knowledge is and how it works. By calling it Satchmo's paradox, Vail was inspired by Louis Armstrong's comment, "If you have to ask for what jazz is, you will never know".

20 Vide Reference No 5.


22 Krantzi J, "Lessons From the Field: An Essay on the Crisis of Leadership in Contemporary Organizations", *The Journal of Applied Behavioural Science*, Vol 26, No 1, pp 49-64, 1990. "Narcissism refers to a constellation of character traits centering around a particular relation of self to the world. It refers to both a psychological and cultural condition. On the individual level, it refers to aspects of personality characterised by exaggerated investment in one's own image and interests. Narcissism is expressed by the untempered ambition and greed so common today, and by an attendant sense of
isolation and detachment. It also refers to an unconscious exploitative and manipulativeness towards others, which involves a diminished concern for the social, for the other, and for community." (pp 60).


24 Implicit in Vail's argument is the belief that when the organisation is viewed holistically and its mission and strategy conceived in terms of five categories of values, winning the commitment of members to the big picture is not problematic. The only problem the leadership has to overcome is the problem posed by Satchmo's paradox. Once the problem of conveying the gestalt of the coherent value system to members is overcome, the linkage of organisational purposes with their personal value systems is believed to follow readily.

25 Vide Reference No 18.

26 Vide Reference No 19.


29 Vide section on "Irrelevance of Culture" in this article.

30 Vide reference No 19.

31 Vail P B, *op cit* pp 211-224.

32 *Ibid* pp 143-159.

33 *Ibid* pp 147.

34 *Ibid* pp 151. The dialectic process is as follows: anything that starts to become significant is immediately undercut, first by the analysis by legions of actual and self-styled experts, who exist for every subject; then by parody, including all the attempts that go on to simplify, standardise and often commercialise an idea or practice or event; and finally by ennui, the loss of ability to take various attitudes, actions and artifacts of a culture seriously.

35 Vide Reference No 34 above.


39 The role of the part in relation to the whole is made clear in performing arts. For example, in a symphony orchestra, each member knows his role in relation to others in the ensemble and more importantly, willingly contributes his share regardless of whether his role is given more or less importance at different times or totally not required at times. In other words, each member willingly overcomes his self-interest in the interest of the larger collective.

40 Vail P B, *op cit*, pp 121-122.