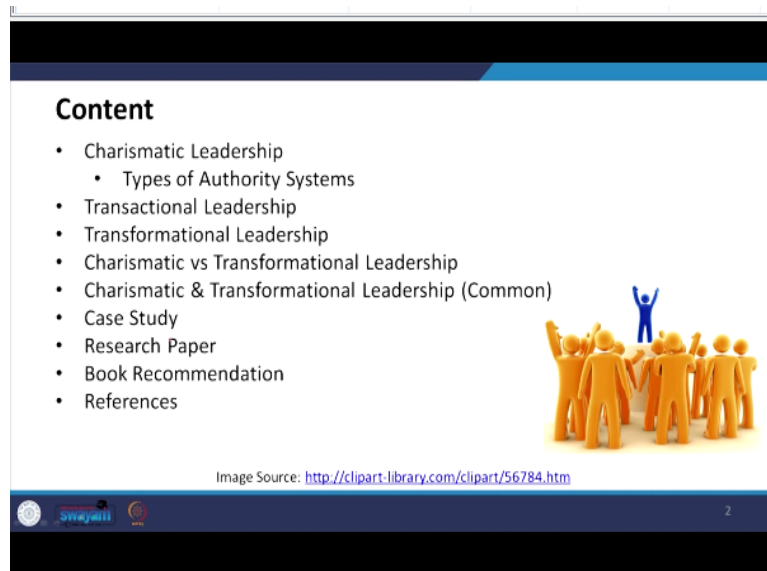


Leadership and Team Effectiveness
Prof. Santosh Rangnekar
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Lecture-11
Charismatic and Transformational Leadership

So, in the past, these leadership models, we have talked about the member exchanger model, then AOR model, Hershey and Blanchard's model, then we talk about the normative decision-making model then we have talked about the, Fiedler's model and then we have talked about the Path-goal theory model. In continuation of this different style of leadership now, today we will talk about the charismatic and transformational leadership style is there.


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So, here we will talk about the charismatic leadership, types of the authority systems, transactional leadership, transformational leadership, charismatic versus transformational leadership, charismatic and transformational leadership common, case studies, as usual, the case study research papers, and the book recommendations we will talk about is there.

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Charismatic Leadership



- Charismatic leaders are passionate, driven individuals who can paint a **compelling vision of the future**. Through this vision they can generate high levels of excitement among followers and build particularly strong emotional attachments with them.
- Some charismatic leadership can result in **positive and relatively peaceful organizational or societal changes**; Mahatma Gandhi and Nelson Mandela have done a commendable work for their respective countries.

Image Source : https://en.wikipedia.org/wiki/Mahatma_Gandhi

So, whenever we are talking about the charismatic leadership, leaders are passionate, driven individuals who can paint a compelling vision of the future right. Through this vision, they can generate high levels of excitement among the followers and build a particularly strong emotional attachment with them is there. So, therefore in that case, whenever we are talking about leadership so with, leadership is always concerned with the vision; vision is there.


So, naturally, when we are talking about leadership, then definitely a vision will be there. So, generate the high levels of excitement. This generation of a high level of excitement that is a strong emotional attachment and connects basically. The word which I would like to use here for the strong emotional management, attachment, is there that is the connect. So therefore, in that case, we will find that is whenever we want to make this a particular relationship between the leader and the followers.

Then it becomes very, very important that is we are having that connect with that vision emotionally connect, some characters charismatic leaderships can result in positive and relatively peaceful organizational or the societal changes are there and therefore in that case whenever we are talking about the implication. Now the practical implication of this charismatic leadership is that that is a peaceful organization is there or the societal change is there. Mahatma Gandhi and Nelson Mandela have done commendable work for their respective countries. These are the examples are there.

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Charismatic Leadership (Cont.)

- On the downside, when this passion is for selfish gains, history mournfully suggests it can have an equally **devastating effect on society**. Examples might include Hitler of Germany or Kim Jung-Un of North Korea.
- "Charismatic Leadership is "resting on devotion to the exceptional sanctity, heroism or exemplary character of an individual person, and of the normative patterns or order revealed or ordained by him". – **Max Weber**




Adolf Hitler

Image Source: <https://www.onthisday.com/people/adolf-hitler>

On the downside, when this passion is passed the selfish gains, history mournfully suggests it can have an equally devastating effect on society. Examples might include the Hitler of Germany or the Kim Jung-Un of North Korea. Charismatic leadership rests on the devotion to the exceptional sanctity, heroism, or exemplary character of an individual person and of the normative patterns or the order revealed or ordained by him.

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Charismatic Leadership (Cont.)



Max Weber

- Prior to the mid-1970s charismatic leadership was studied primarily by historians, political scientists, and sociologists.
- Of this early research, Max Weber arguably wrote the single most important work where he maintained that societies could be categorized into one of three types of authority systems:
 - **Traditional**
 - **Legal-Rational**
 - **Charismatic**

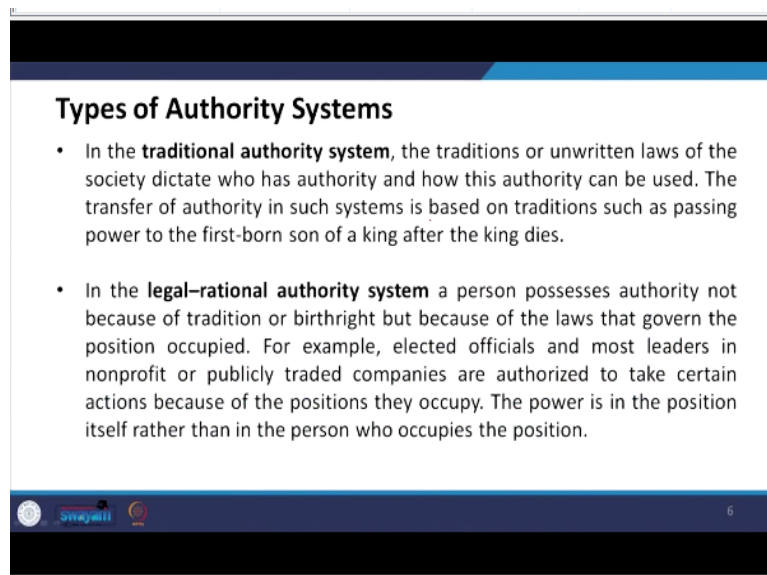
(Weber, 1964)

Image Source: https://en.wikipedia.org/wiki/Max_Weber

So, then about the Max Weber, we will talk about 1970s charismatic leadership was studied primarily by the historians, political scientists, and the sociologist is there. Now, this is becoming the very much important for us. That is, if you want to create history, everybody, whenever he is in the leadership position then he wants to put a landmark, he wants to put a footsteps so that is the others can follow it and then he wants to be the historians also.

So, that is the historical decisions, historical steps, and that will be the achievement of this charismatic leadership will be there. So earlier, it was the historian, scientists, and sociologists, and they have followed this particular type of these charismatic leadership are there. Of this, the early research Max Weber arguably wrote in 1964 was the single most important work where he maintained that societies could be categorized into one of three types of authority systems. That is a traditional one, legal-rational and the charismatic is there.

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The slide is titled "Types of Authority Systems" and contains two bullet points. The first bullet point describes the traditional authority system, where authority is based on traditions and unwritten laws, such as passing power to the first-born son of a king. The second bullet point describes the legal-rational authority system, where authority is based on laws governing the position, such as elected officials or leaders in nonprofit or publicly traded companies. The slide also features a logo for "swigam" and a page number "6" in the bottom left corner.

Now in the traditional authority system, the traditions or the unwritten laws of the society dictate who has authority and how his authority can be used? Now, this is very, very important; there is a positioning. You see earlier in the society what has been unwritten. Unwritten means well accepted as a tradition that is who has the authority and how this authority can be used? So, therefore it will be decided by society; society will decide.

So, the leader was driven by the conditions of the society. The transfer of authority in such a system is based on the traditions such as passing power to the firstborn son of a king after the king dies, and therefore, in that case, the society was having this dictation that is the power to the firstborn son of the king after the king dies is there. In the legal-rational authority system, a person possesses the authority not because of tradition or birthright.

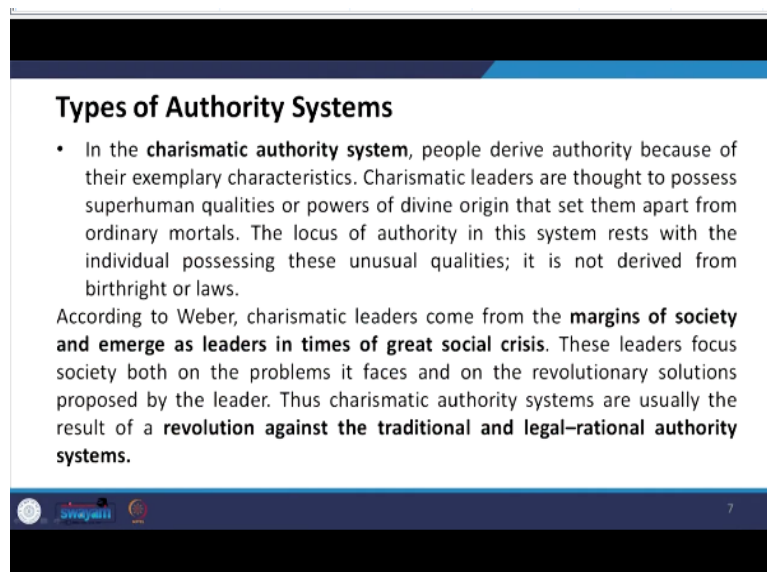
Like in the previous case, we have seen in the traditional authority system, but because of the laws that govern the position occupied. For example, elected officials and most leaders in non-profit are publicly traded companies are authorized to take certain actions because of the

positions they occupy and the powers in this position itself rather than in the person who occupies the position is there.

And therefore, in that case, once the like a manager, you can say when the manager becomes a charismatic leader, how he is becoming the charismatic leader? When he has occupied a particular position and on that position, what he is doing is he is having that the decision-making style in such a way that he is creating on the basis of that position he creates that authority.

And in this case, that legal-rational authority system that is making these particular aspects in the case of this that how that charismatic leader he has been evolved. So, he has been evolved by the position. However, in the previous example in the traditional authority system, it is by the tradition of the society that the person has occupied that particular position of the leadership.

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Types of Authority Systems

- In the **charismatic authority system**, people derive authority because of their exemplary characteristics. Charismatic leaders are thought to possess superhuman qualities or powers of divine origin that set them apart from ordinary mortals. The locus of authority in this system rests with the individual possessing these unusual qualities; it is not derived from birthright or laws.

According to Weber, charismatic leaders come from the **margins of society and emerge as leaders in times of great social crisis**. These leaders focus society both on the problems it faces and on the revolutionary solutions proposed by the leader. Thus charismatic authority systems are usually the result of a **revolution against the traditional and legal-rational authority systems**.

But in the charismatic authority system, when we talk about people derive authority because of their exemplary characteristics. Charismatic leaders are through to possess superhuman qualities or powers of the divine origin here. Now the question arises that is whether are you able to develop those superhuman qualities? What are the superhuman qualities? That we will see in the trades of the charismatic leaders or the powers of the divine that we say that he has the god element.

So, many people for our prime minister Narendra Modi Ji say that it is the element of god. So, powers of divine origin that save them apart from the ordinary mortals are there. The locus of authority in this system rest with the individual possessing these unusual qualities. So, there are certain unusual qualities that are there which the individuals are possessing, and as a result of which, they are becoming the powers of divine or the superhuman quality.

It is not derived from the birthright or laws, and it is not because that is they have born into a particular family or they have given the legal authority relationship but the position only. So, because the many country heads may have the positioning power, they will not necessarily have the charismatic leadership. According to Weber, charismatic leaders come from the margins of society.

They emerge from the margins of society and emerge as leaders in times of great social crisis is there, and whenever they serve the society, I would like to connect here; we will talk later on also that is servant leadership and leaders in the times of the great social crisis that will be doing. These leaders focus on society both on the problems it faces and on the revolutionary solutions proposed by the leader. So, thus cosmetic authority systems are usually the result of a revolution against a traditional and legal-rational authority system.

So, charismatic leaders are coming the out against or out of the box as a result of other than your traditional systems of the leadership style is there or when you are legal that authority position relationship is there, or the leaders' position is there, and then they are emerging as a charismatic leader no, it is not like this. Rather than first, they are coming up from the margins of the society, and secondly, they have come out of the revolution, and as the revolution takes place, these charismatic leaders and they emerge.

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Transactional Leadership

- The debate surrounding charismatic leadership shifted dramatically with the publication of James MacGregor Burns's Leadership (Burns, 1978).
- Burns was a prominent political scientist who had spent a career studying leadership in the national political arena. He believed that leadership could take one of two forms :
- **Transactional**
- **Transformational**

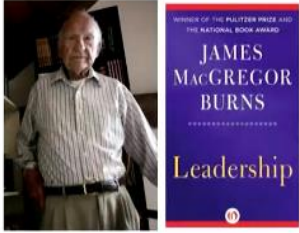


Image Source: <http://changenowforgood.ca/james-macgregor-burns-leadership/>

Here we will find about transactional leaders; who are the transitional leaders are there? The debate surrounding charismatic leadership shifted dramatically with the publication of James MacGregor Burn's leadership; once in 1978, Burn's was a prominent political scientist who had spent a career studying leadership in the national political arena. He believed that leadership could take one of the two forms, transactional or transformational is there. First, we will take transactional leadership. Transaction leadership occurs when leaders and followers are in some type of exchange relationship.

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Transactional Leadership (Cont.)

- Transactional leadership occurred when leaders and followers were in some type of **exchange relationship** to get needs met. The exchange could be economic, political, or psychological, and examples might include **exchanging money for work, votes for political favors, loyalty for consideration**, and so forth.
- Transactional leadership is common but tends to be transitory in that there may be **no enduring purpose** to hold parties together **once a transaction is made**.
- Burns also noted that while this type of leadership could be quite effective, it did not result in organizational or societal change and instead tended to perpetuate and legitimize the status quo.

What type of the exchange relationship is there to get the needs meet? So, therefore what are they fulfilling? They are fulfilling the needs of each other. The exchange could be economic. So, therefore this can be the economic exchange or political exchange, or the psychological

exchange and examples might include exchanging money for work, votes for political favors, loyalty for consideration, and so forth.

So, therefore transactional leadership which is coming to the given tech exchange relationship, is there and therefore it is having the exchanging money for work and there what happens that the leader is in the position because he is giving that salary, pay, packages are there or there maybe what are the political favors also. In that case you will find that is that the transitional leader has emerged as getting contributing to the society and society is giving him the votes or the loyalty for consideration is there.

And therefore in that case because he has the loyalty for the organization and the organization is giving something. Transactional leadership is common but tends to be transitory in that there may be this is very important word because you will understand the difference between the transactional and transformational leadership on the basis of this transitory. Transitory means with the period of time.


So, therefore in the case of the period of time in that there may be no enduring purpose to hold parties together once a transaction is made. So, once transaction is done forget about it. So, therefore in that case in the transactional leadership it is existing till the transaction takes place. Once also noted that while this type of leadership could be quite effective it did not result in organizational or societal change and instead tended to perpetual and legitimate the status quo also.

So, therefore this type of leadership will be if it did not result in societal change rather than it will be the perpetual and legitimate status quo and therefore in that case you will find this transaction leadership is have been with the prayer of time which is the working. While when we are talking about the transformational leadership the second form of leadership suggested by Burn's in transformational leadership is which changes the status quo by appealing to followers' values and their sense of higher purpose.

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Transformational Leadership

- The second form of leadership suggested by Burns is **transformational leadership**, which changes the status quo by appealing to followers' values and their sense of higher purpose.



- Transformational leaders articulate the problems in the current system and have a compelling vision of what a new society or organization could be.
- This new vision of society is intimately linked to the values of both the leader and the followers; it represents an ideal that is congruent with their value systems.

Image Source: <https://depositphotos.com/vector-images/politics.html?view=24942937>

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The transformational leaders articulate the problems in the current system, so therefore here it is changes the status quo. While the transactional that is going with the development product time and then it stops. But here it is challenging the status quo that is the follower's values and their sense of higher purpose. So, they are comfortable, they are working in a particular style of the value systems and here the leader what he does? He changes.

The challenges and changes transformational leaders articulate the problems in the current system and he finds out what is wrong is going on in the current system and have a compelling vision of what a new society or organization could be and it is a change. Basically this is related with the change management is there transformational leadership. Transactional is also is a change definitely but then in that transactional is the periodical changes there.

And therefore in that case it is a give and take and the directions have been given the followers are performing and the money is paid, loyalty for consideration and all these aspects are there. But here it is totally a change and whenever we are talking about a change a vision has been given and that vision is creation of the new society. So, normally what the leader wants? Leader wants to transform the organization why the transformation leadership to take it to the next level.

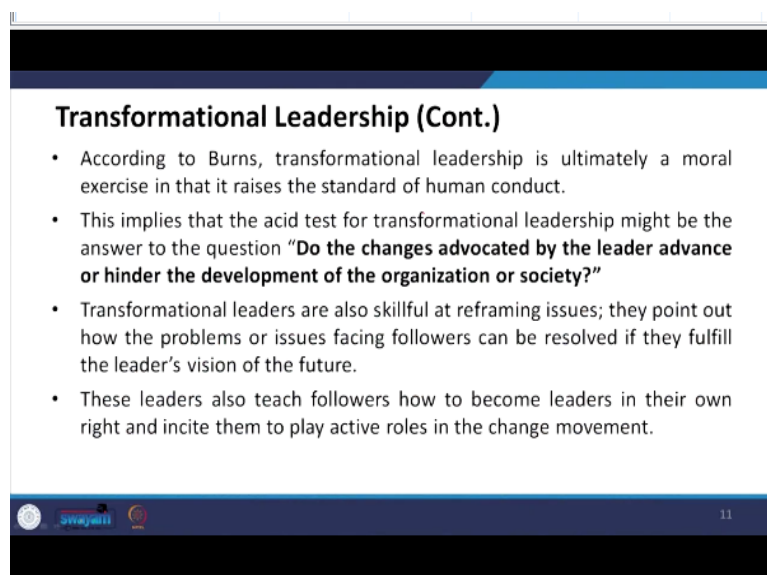
Next level by totally changing but the followers values are changed their sense of higher the higher purpose have been changed and this new vision of the society is intimately linked to the values of both the leader and the followers. But it is not forcefully, it is not a push

technique of change. Rather than it is the he gives a vision, transformational leader just says that is no this our society has to be the tech savvy society, technology oriented society.

There has been science and technology behind the principles and therefore it should be art also because we are studying the management so we always talk about the balancing between the science and art. But the science that is about the change of the technology developing the society making it the modern society not the western society I am talking about, I am talking about the modern society that is for that purpose the vision has to be given. And it represents an idea that ideal that the congregate with their value systems are there but we be careful if you want to be the transformational leader by studying this then in that case yes you can change.

You can create a vision but that vision should not change the value system, that is a beauty our society culture, society values, societal norms. That should not be changed, but ultimately then we are changing we are changing the society with the modern look. And that is technology based look is there I am giving just one example and this example can be applicable for the organization also. So, organizational values will not change, the organizational norms will not change but the organization's look will change. Organizations will be more tech savvy.

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Transformational Leadership (Cont.)

- According to Burns, transformational leadership is ultimately a moral exercise in that it raises the standard of human conduct.
- This implies that the acid test for transformational leadership might be the answer to the question **"Do the changes advocated by the leader advance or hinder the development of the organization or society?"**
- Transformational leaders are also skillful at reframing issues; they point out how the problems or issues facing followers can be resolved if they fulfill the leader's vision of the future.
- These leaders also teach followers how to become leaders in their own right and incite them to play active roles in the change movement.

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So, according to Burn's transformation leadership is ultimately a moral exercise in that it raises the standard of human conduct, the standard of human conduct is rest not the change. This implies that the acid test for transport leadership might be the answer to the question do

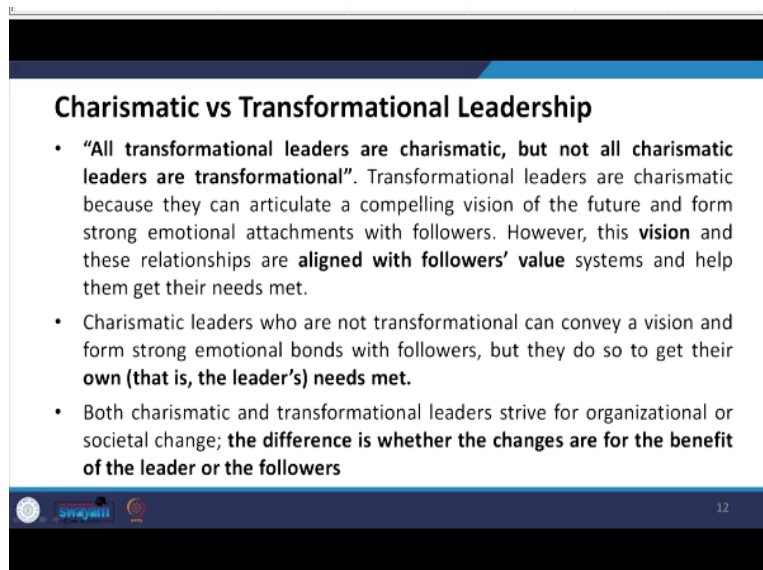
the changes advocated by the leader advance or hinder the development of the organization or society? It is a very big question.

Now dear friends you please understand that is whenever any leader is advocating a change where it leads to, whether it is leading to the development of the society or it is leading towards the hinder development of the society? Because if it is for the short term so you will find it is development but long term it is the entrance. So, be careful that is there should not be the hindrance that is your original values, organizational values, societal values that remain has to be same.

Transformational ideas are also skillful at reframing issues; they point out how the problems or issues facing followers can be resolved if they fulfill the leader's vision of the future and therefore leaders should be skillful enough that is with the remaining your values how you will making the changes that will be there for their problems. The current problems will be changed and resolved if they fulfill the leaders' vision of the future.

And these leaders also teach followers how to become leaders in their own right and inside them to play active roles in the change movement is there. So, whenever we are talking about the charismatic versus transformational leadership. All transformational leaders are charismatic but not all charismatic leaders are transformational.

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Charismatic vs Transformational Leadership

- **“All transformational leaders are charismatic, but not all charismatic leaders are transformational”.** Transformational leaders are charismatic because they can articulate a compelling vision of the future and form strong emotional attachments with followers. However, this **vision** and these relationships are **aligned with followers' value** systems and help them get their needs met.
- Charismatic leaders who are not transformational can convey a vision and form strong emotional bonds with followers, but they do so to get their **own (that is, the leader's) needs met.**
- Both charismatic and transformational leaders strive for organizational or societal change; **the difference is whether the changes are for the benefit of the leader or the followers**

Transformational leaders are charismatic because they can articulate a compelling vision of the future. So, therefore in that case what they do? They are creating a future and strong

emotional attachment with the follower. However, this vision and these relationships are aligned with followers value systems and help them to get their needs meet. So, therefore in that case when we are talking about the charismatic leaders are there they are more focused with the value systems of the followers.

Whenever we are talking about charismatic leaders who are not transformational can convey a vision and form a strong emotional bond with the followers. But they do so to get their own needs made, that is a leader’s need it is there. So, both charismatic and transformational leaders try for the organizational or the societal change. The difference is whether the changes are for the benefit of the leader or for the benefit of the follower.

And naturally what you will be looking for? You will be looking for the benefit of the follower. However, the leaders can work for their own benefits also, but definitely we will be seeing this vision and these relationships are aligned with the followers are there. So, here it is becoming very, very important that is the emotional connect with the followers is very important and then they should be developed.

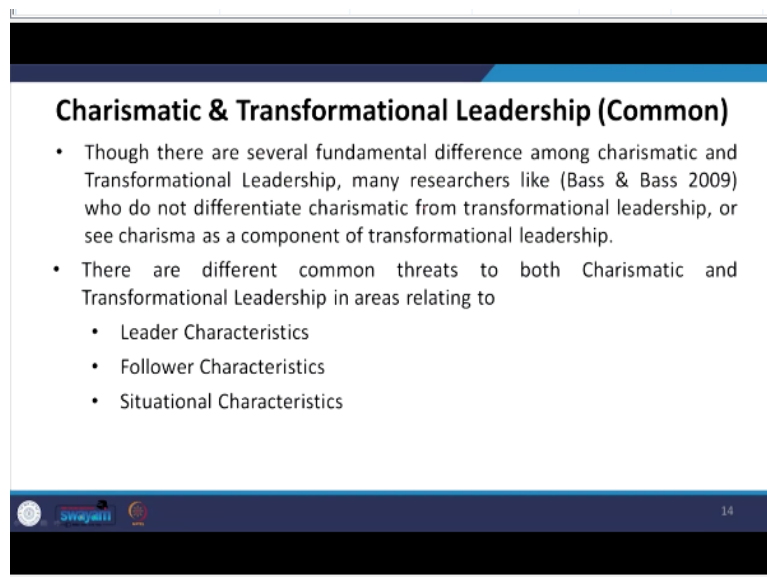
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Charismatic vs Transformational Leadership	
Charismatic Leadership	Transformational Leadership
Leader is the “head of the show”	Leader is open to followers’ input and participation.
Vision fulfillment by stimulating followers to leader’s vision	Vision fulfillment inclusive of follower and leader vision.
Charismatic leaders are most likely to emerge in crisis situations.	Transformational leaders can emerge at different levels of the organization.
Behaviour aimed at leader-driven goals and promote feelings of obedience and dependency in followers.	Behaviour aimed at encouraging teamwork and commitment to shared goals.

Now I would like to take the certain comparison between the charismatic leadership and the transformational leadership is there. A leader is the head of the show and he is in charismatic leadership vision fulfillment by stimulating followers to leader’s vision and the cosmetic leaders are most likely to emerge in crisis situation from the margins and behaviour aimed at leader-driven goals and promote feelings of obedience and dependency in followers. While in case of the transformational leadership leader is open to follower’s inputs and participation.

Vision fulfillment includes your follower and leader vision. It is not follows to leaders vision only, but it is inclusive of followers and leaders vision. Transformational leaders can emerge at the different levels of the organizational. Behaviour aimed at encouraging teamwork and commitments to share the goals are there. So, here in the case of the charismatic leadership the behaviour is aimed for the feeling of obedience and dependency in followers. So, followers should follow the leader. While in the transformational it is encouraging the teamwork and commitment to share the goals are there.

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Charismatic & Transformational Leadership (Common)

- Though there are several fundamental difference among charismatic and Transformational Leadership, many researchers like (Bass & Bass 2009) who do not differentiate charismatic from transformational leadership, or see charisma as a component of transformational leadership.
- There are different common threats to both Charismatic and Transformational Leadership in areas relating to
 - Leader Characteristics
 - Follower Characteristics
 - Situational Characteristics


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Though there are several fundamental differences among the charismatic and transformational leadership, many researchers like the Bass and Bass 2009 who do not differentiate charismatic from transformational leadership or see charisma as a component of the transformational leadership. There are different common threats to both charismatic and transformational leadership's area to leader characteristics, because if it is the leader oriented then in that case then what the characteristic of a leader is? Follows characteristics if it is a transformational or the situational characteristics it is for both.

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Common Leader Characteristics

- **Vision** Both transformational and charismatic leaders are inherently future-oriented. They involve helping a group move “from here to there.” They recognize the shortcomings of the present order and offer an imaginative vision to overcome them (Naidoo, 2008).



- **Rhetorical Skills** Charismatic and Transformational leaders have superb rhetorical skills that heighten followers’ emotional levels and inspire them to embrace the vision. Both the content of their speeches and the way they are delivered are vitally important.

Image Source: (Hughes, Ginnett, & Curphy, 2015)

So, common leader characteristics as the vision both transformational and charismatic leaders are inherently future oriented. They involve helping a group move from here to there. So, therefore in that case they recognize the shortcomings of the present order and offer an imaginative vision to overcome them. In both the cases whether it is a charismatic or it is a transformational both the leaders they want to go for the future vision.

Then rhetorical skills charismatic and transformational leaders have superb rhetorical skills that heighten follower’s emotional levels and inspire them to embrace the vision. So, therefore both are what they are catalyzing emotions of the followers? Both the contents of their speeches and the way they are delivered are vitally important.

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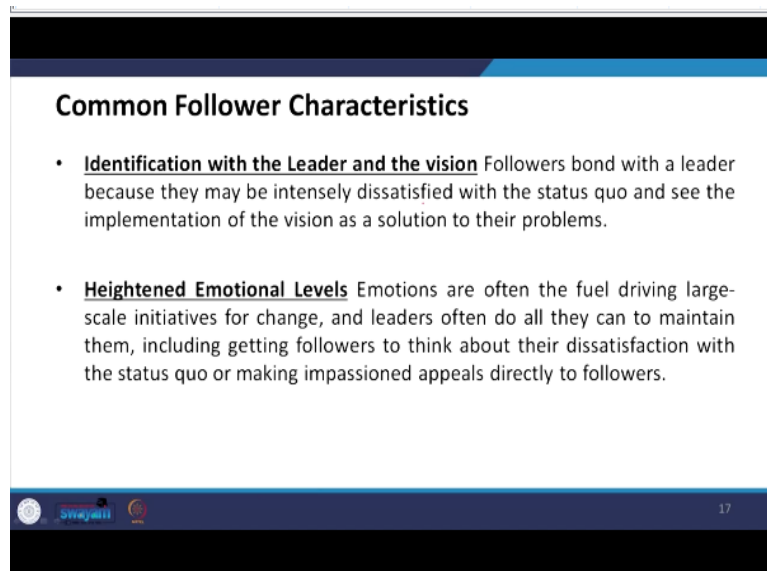
Common Leader Characteristics

- **Image and Trust Building** Leaders build trust in their leadership and the attainability of their goals through an image of seemingly unshakable self-confidence, strength of moral conviction, personal example and self-sacrifice, and unconventional tactics or behavior (House, 1977).
- **Personalized style of leadership** Leaders share strong, personal bonds with followers, even when the leader occupies a formal organizational role. It is personalized leadership style that seems to be responsible for the feelings of empowerment notable among followers.

Image and the trust building: Leaders build a trust in their leadership and the attainability of their goals through an image of seemingly unshakable self-confidence, strength of moral conviction, personal example of the self-sacrifice and the unconventional tactics to behaviour is there. This is the image of the leader is there. Personalized style of leaders: Leader's share strong personal bonds with followers.

Even when the leader occupies a formal organizational role, it is a personalized leadership style that seems to be responsible for the feelings of empowerment notable among the followers are there. So, therefore it is a personalized style of the leadership is there. Now whenever we are talking about that is the identification with the leader and the vision. The followers bond with a leader because they may be intensely dissatisfied with the status quo.

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Common Follower Characteristics

- **Identification with the Leader and the vision** Followers bond with a leader because they may be intensely dissatisfied with the status quo and see the implementation of the vision as a solution to their problems.
- **Heightened Emotional Levels** Emotions are often the fuel driving large-scale initiatives for change, and leaders often do all they can to maintain them, including getting followers to think about their dissatisfaction with the status quo or making impassioned appeals directly to followers.

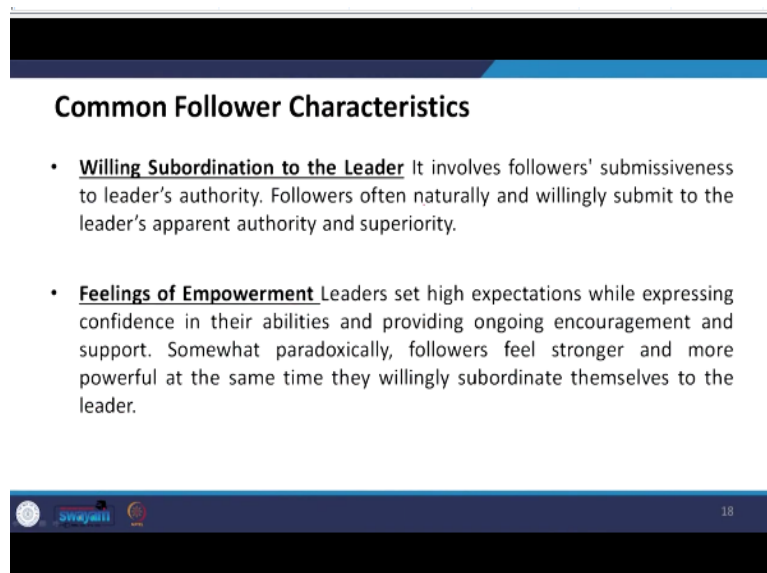
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And they see the implementation of the vision as a solution to their problems are there. Well in case of these heightened emotional levels are concerned where the leaders are having the high emotional levels in the both the cases; whether it is a charismatic or it is a transformational we have seen in both the cases it is becoming very, very important the followers emotions. So, common follower characteristics are there.

That is they are driven, followers are driven by the emotions and leader offers to do all they can to maintain them, their emotions are to be protected, including getting followers to think about their dissatisfaction with the status quo. That is the why they are in the current situation and there are certain problems and making impatient appeals directly to followers are sensitizing them.

That if this current situation is not favourable and therefore it is better that is we are creating for the future goals. Willing subordination to the leader and so they are not only emotionally charged but involves the followers submissiveness to leaders authority and followers often naturally and willingly submit to the leaders apparent authority and the superiority is there.

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Common Follower Characteristics

- **Willing Subordination to the Leader** It involves followers' submissiveness to leader's authority. Followers often naturally and willingly submit to the leader's apparent authority and superiority.
- **Feelings of Empowerment** Leaders set high expectations while expressing confidence in their abilities and providing ongoing encouragement and support. Somewhat paradoxically, followers feel stronger and more powerful at the same time they willingly subordinate themselves to the leader.

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And therefore in that case it is becoming the naturally and willing what followers are doing because the vision is created. The vision which has been created by the leader which is emotionally connect of the followers and therefore there is nothing like the resistance. They become the followers; they become the followers because they are naturally and willingly because of the common vision or goal. These feelings of empowerment. So, what will happen?

That is when they will become the leaders what will happen? That is they will be having this particular achievement with the help of the empowerment. Leaders set high expectations while expressing confidence in their abilities and providing ongoing encouragement and support. Somewhat paradoxically, followers feel stronger and more powerful at the same time and they willingly subordinate themselves to the leader is there. So, what are the common situation characteristics crisis is one. An important situational factor associated with the leadership is the crisis.

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Common Situation Characteristics

- **Crises** An important situational factor associated with leadership is the crisis. Although it may not make every leader look charismatic, but it may set the stage for particular kinds of leader behaviors to be effective.
- **Social Networks** Attributions of charisma will spread more quickly in organizations having well established social networks, where everybody tends to know everyone else.
- **Downsizing** People believe that downsizing destroys the implicit contract between employer and employee, and it greatly diminishes the odds of charismatic leadership emergence.
- **Time** It takes time for leaders to develop and articulate their vision, heighten followers' emotional levels, build trusting relationships with followers, and direct and empower followers to fulfill the vision.

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Although it may not take make a leader look charismatic but it may set the stage for the particular kinds of leader behaviours to be effective. Social networks: Attributions of the charisma will spread more quickly in organizations having well established social networks where everybody tends to know everyone else. So, therefore that will be the social network will be developed. There will be the downsizing; people believe that downsizing destroys the implicit contract between the employer and employee and it greatly diminishes the odds of the charismatic leadership emergency is there.

So, if there is a downsizing then definitely it will go into the diminishes the odds of the charismatic leader. Time; another dimension is very, very important is the time. It takes time for leaders to develop and articulate their vision and then heighten followers emotional levels, build a trusting relationship with the followers and directly empower followers to fulfill the vision. Now here I would like to take a very beautiful case study that is keeping up with the Bill Gates. Bill Gates inhibited intelligence ambition and competitive spirit from his father.

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Case Study : Keeping up with Bill Gates

- Bill Gates inherited **intelligence, ambition, and a competitive spirit** from his father, a successful Seattle attorney. After graduating from a private prep-school in Seattle, he enrolled in Harvard but dropped out to pursue his passion-computer programming.



Bill Gates

- Paul Allen, a friend from prep school, presented Gates with the idea of writing a version of the BASIC computer language for the Altair 8800, one of the first personal computers on the market. Driven by his competitive nature, Gates decided he wanted to be the **first to develop a language to make the personal computer accessible for the general public.**

Image Source: <https://www.evoke.org/contributors/BillGates>

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A successful Seattle attorney. After graduating from a private prep-school in the Seattle, he enrolled in the Harvard but dropped out to pursue his passion-computer programming. Paul Allen a friend from the prep school presented Gates with the idea of writing a version of the basic computer language for the Altair 8800, one of the first personal computers on the market and driven by his competitive nature, Gates decided he wanted to be the first to develop a language to make the personal computer accessible for the general public.

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Case Study (Cont.)

- He and Allen established the Microsoft Corporation in 1975. Gates's passion and skill were programming—he would work hard to meet the extremely aggressive deadlines he set for himself and his company.
- Eventually Gates had to bring in other programmers; he focused on recent college graduates. "We decided that we wanted them to come with clear minds, not polluted by some other approach, to learn the way that we liked to develop software, and to put the energy into it that we thought was key."
- In the early days of Microsoft, Gates was in charge of product planning and programming while Allen was in charge of the business side. He motivated his programmers with the claim that whatever deadline was looming, no matter how tight, he could beat it personally if he had to.

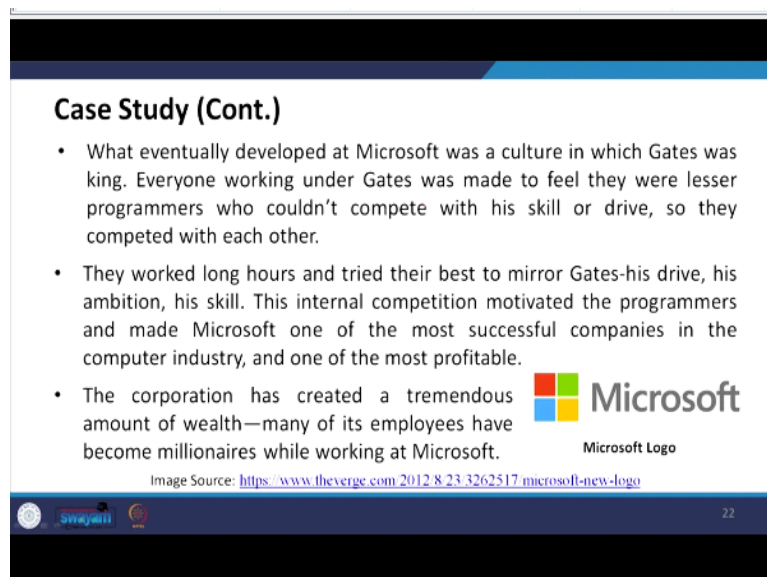
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He and Allen established the Microsoft Corporation in 1975 and Gates passion and skill where programming, he would work hard to meet the extremely aggressive deadlines as he said for himself and his company. Eventually Gates had to bring in other programmers he focused on decent college graduates. We decided that we wanted them to come with clear

minds, not polluted by some other approach, to learn the way that we like to develop software.

And to put the energy into it that we thought was key. In the early days of Microsoft Gates was in charge of product planning and programming while Allen was in the charge of the business side. He motivated his programmers with the claim that whatever deadline was looming no matter how tight he could beat it personally if he had to.

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Case Study (Cont.)

- What eventually developed at Microsoft was a culture in which Gates was king. Everyone working under Gates was made to feel they were lesser programmers who couldn't compete with his skill or drive, so they competed with each other.
- They worked long hours and tried their best to mirror Gates-his drive, his ambition, his skill. This internal competition motivated the programmers and made Microsoft one of the most successful companies in the computer industry, and one of the most profitable.
- The corporation has created a tremendous amount of wealth—many of its employees have become millionaires while working at Microsoft.

Image Source: <https://www.theverge.com/2012/8/23/3262517/microsoft-new-logo>

Microsoft Logo


22

What eventually developed at Microsoft was a culture in which Gates was king. Everyone working under Gates was made to fill; they were lesser programmers who could not compete with his killer drive. So, they competed with each other. They worked long hours and tried their best to mirror Gates-his drive, his ambition, his skill, everybody put very high effort. This internal competition motivated the programmers and made Microsoft one of the most successful companies in the computer industry and one of the most profitable. The corporation has created a tremendous amount of wealth many of its employees have become millionaires while working at Microsoft.

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Case Study (Cont.)

- Bill Gates, currently one of the richest men in the world. During the 1990s Bill Gates's net worth grew at an average rate of \$34 million per day; that's \$200 million per week!
- Gates needed a castle for his kingdom, so he built a much-talked-about house on Lake Washington.
- The house lies mainly underground and looks like a set of separate buildings when viewed from above. The house was conceived as a showcase for Microsoft technology—it took \$60 million, seven years of planning and construction, and three generations of computer hardware before it was finally finished.



Bill Gates' House at Lake Washington

Image Source: <https://www.theverge.com/2012/8/23/3262517/microsoft-new-logo>

swayam 23

Bill Gates, currently one of the richest men in the world. During the 1990s Bill Gates net worth grew at an average rate of 4 dollars 34 million per day that is a dollar 200 million per week. Gates needed castle for his kingdom, so he built a much-talked-about a house on lake Washington. The house lies mainly underground and looks like a set of separate buildings when viewed from above. The house was conceived as a showcase for the Microsoft technology. It took a dollar 60 million 7 years of planning and construction and 3 generations of computer hardware before it was finally finished.

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Case Study (Cont.)

Q1) Would you classify Bill Gates as a charismatic or transformational leader? Why?

Q2) Consider the followers and employees of Gates. What are some unique characteristics of Gates's followers that might identify him as charismatic or transformational?

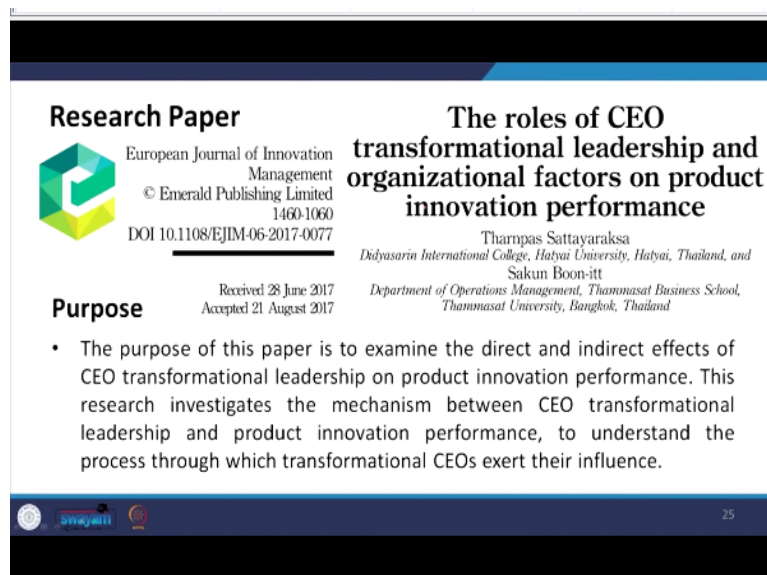
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Now these are the questions for your assignment. Would you classifier Bill Gates as a charismatic a transformational leader? Because when what we have discussed and studied that is a charismatic and transformational question arises this development of Microsoft by

the leadership of Bill Gates where do you classify? Consider the followers and employees of Gates.

What are the some unique characteristics of gates follows that might identify him as a charismatic or the transformational is there and therefore identify that is the exactly what characteristics are there? This is the research paper role of CEO transformation leadership and the organizational factors and product innovation performance.

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The image shows a slide for a research paper. The title is "The roles of CEO transformational leadership and organizational factors on product innovation performance". The authors are Tharnpas Sattayaraksa and Sakun Boon-itt. The paper is published in the European Journal of Innovation Management, Emerald Publishing Limited. The DOI is 10.1108/EJIM-06-2017-0077. The paper was received on 28 June 2017 and accepted on 21 August 2017. The purpose of the paper is to examine the direct and indirect effects of CEO transformational leadership on product innovation performance. The slide also includes the journal logo and the Emerald Publishing logo.

Research Paper

European Journal of Innovation Management
© Emerald Publishing Limited
1460-1060
DOI 10.1108/EJIM-06-2017-0077

The roles of CEO transformational leadership and organizational factors on product innovation performance

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Sakun Boon-itt
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Thammasat University, Bangkok, Thailand

Received 28 June 2017
Accepted 21 August 2017

Purpose

- The purpose of this paper is to examine the direct and indirect effects of CEO transformational leadership on product innovation performance. This research investigates the mechanism between CEO transformational leadership and product innovation performance, to understand the process through which transformational CEOs exert their influence.

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The purpose of this paper is to examine the direct and indirect effects of the CEO transformational leadership on product innovation performance and this research initiates the mechanism between CEO transformational leadership and product innovation performance to understand the process through which the transformational CEOs exert their influence is there.

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Design/methodology/approach

- This study is a quantitative research. Data were collected from 269 manufacturing firms in Thailand through a mail survey. This research applied a two-step structural equation modeling process.

Findings

- The results indicate that CEO transformational leadership indirectly affects product innovation performance through an innovation culture, organizational learning, and the new product development (NPD) process. CEO transformational leadership has a strong effect on innovation culture and organizational learning. Organizational learning is strongly associated with the NPD process, which significantly leads to product innovation performance.

www.ijer.in 26

This particular research study is a quantitative research, data were collected from 269 manufacturing firms in the Thailand through a mail survey. This is applied a two-step structural equation modeling process. The result indicates that is the CEO transformation leadership indirectly affects product innovation performance through an innovation culture, organizational learning and the new product development process is there.

So, CEO transformation leadership has a strong effect on innovation culture and organizational learning with the NPD process which significantly leads new product development process which significantly leads to product innovation performance. By integrating the knowledge of the leadership and operations management fields this study helps extend the understanding of how leaders at the top of an organization and it influence the new product development processes and product innovation outcomes.

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Practical implications

- By integrating the knowledge of leadership and operations management fields, this study helps extend the understanding of how leaders at the top of an organization influence the NPD process and product innovation outcomes.
- For practical implications to be more effective, CEOs focusing on product innovation should develop their skills and behaviors of transformational leadership to foster innovation culture and organizational learning, which in turn will affect product innovation performance.

For practical implications to be more effective CEO focusing on product innovation should develop their skills and behaviours of transformation leadership to foster the innovation culture and organizational learning is there which in turn will affect the product innovation performance is there. And therefore we can learn from this particular case study that is the how charismatic and transformational leadership styles that can lead to the great success of the organization.

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Book Recommendation

Transformational and Charismatic Leadership: The Road Ahead (Second Edition)

Authors :	Bruce J. Avolio, Francis J. Yammarino
Publisher:	2013 ©by Emerald Group Publishing Limited
Language:	English
Paperback:	503 Pages
ISBN-10 :	1781906009
ISBN-13 :	978-1-78-190600-2

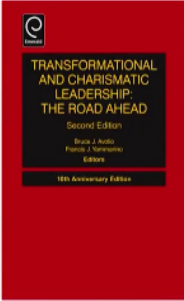


Image Source: <https://www.kobo.com/in/en/ebook/transformational-and-charismatic-leadership>

And this is the book transformational and charismatic leadership: The Road Ahead.

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Book Recommendation (Abstract)

- This is the 10th anniversary edition of "Transformational and Charismatic Leadership: The Road Ahead.
- This book includes the theoretical and empirical work and professional practice issues associated with transformational and charismatic leadership that have transpired over the from 2003 to 2013.
- This book highlight past work on charismatic and transformational and offer new research ideas, insights, and directions for future work in their new contributions.

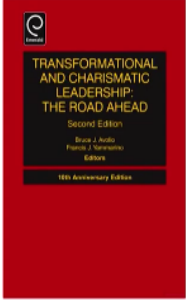


Image Source: <https://www.kobo.com/in/en/ebook/transformational-and-charismatic-leadership>

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And this book is a 10th-anniversary edition of transformational cosmetic leadership The Road Ahead. In theoretical and empirical work and the professional practice issues associated with the transformational and charismatic leadership. New research ideas are there insights and directions for the future work is there.

(Refer Slide Time: 31:52)

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These are the different references which you can use for your further studies and for these detailed interest and this is all about the charismatic and the transformational leadership which we have talked about and I am sure that this will help you to develop a different style of leadership by understanding the followers connecting with the followers and developing the followers with the emotional connect. This is the end of the session. Thank you.