

Is Charismatic Leadership Effective?

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Abstract

Most times, charismatic leaders have a distinct relationship with employees. Charismatic leaders can be powerful agents of organizational change, especially during difficult times. Many theories of charismatic leadership have stressed the traits and demeanor of leaders and their effects on employees, the company, and profits. However, many research studies do not fully explain how this leadership style can initiate a process of innovation that will result in higher profits and a more engaged workforce. In this study, the author will outline different styles that charismatic leaders process that may explain the phenomenon.

What is Charismatic Leadership?

Charismatic leadership is a style of management built around several concepts that include good communication skills, strong employee engagement, innovation, and the ability to adapt to a changing business environment. These leaders tend to be passionate, have strong organizational skills, strong ethical convictions, and have a very deep belief in the work that the company is doing. The goal here is to inspire employees to go above and beyond to achieve the company's everyday objectives, mission, and vision. The mindset here is to call forth an increased dedication to the everyday actions needed to make the organization successful. Furthermore, it evokes devotion, action, and enhanced problem-solving skills. Charismatic management is sometimes related to transformational leadership. In transformational leadership, supervisors use inspirational encouragement and empowerment stimulation to engage their workers to do their best work all of the time. However, the two styles differ because charismatic leaders lead a bit differently. They tend to work within the status quo to improve everyday actions rather than create a new path. Of course, this can be problematic when change needs to happen because of external or internal pressures (Western Governors University, 2023).

Skills and Traits

So, based on the theory of the style of charismatic leaders, what are some of the traits of this kind of manager? Forward-thinking goal setting is one of the dominant traits. Typically, they see the big picture both inside and outside the business. Because of this ability, they are very good at setting project goals throughout the program and far into the future. This enables the staff to stay motivated and on track with the project's objectives and purpose. Articulation is a key trait of these kinds of supervisors. They tend to be expressive in terms of verbal communication and skilled in illustrating company operational objectives. This, in turn, enables followers to exhibit strong team behavior to ensure the project, product, service, or program is successful (Western Governors University, 2023).

They also have the ability to tap into an individual's passion. Connecting to someone's emotions is vital in today's business world since we live in a multigenerational world. Getting staff to embrace a project, program, or objective with your charisma can create a stronger sense of devotion to the work and a sense

of belonging. These leaders possess a clear vision and know the desired outcome of an endeavor and how to get there step by step. This gives employees a greater understanding of the endeavor and a feeling of strong support from the leader. Charismatic leaders have an uncanny ability to lead when almost everything is going wrong. When the environment gets challenging, they keep everyone on track, committed, and motivated even when they face seemingly impossible obstacles. Another trait is being sensitive to the environment and strong engagement skills at every level of the organization (Western Governors University, 2023).

Historical Aspects of Charismatic Leaders

This leadership style can be traced back to Max Weber in the early 20th century when he did his landmark research. His original was based on why people follow authority based on political obligation. Weber based it on the theory that people follow good and just leaders. The theorizing that they follow is based on the perception that the figurehead is doing the right and best action for all involved. He figured that charisma was more about appearances than actions and was motivated by society or political forces. He stated three important postulations that drive a leader of this type: the psychological dimension, the social aspect, and the relational dimension. Psychologically, it stresses internal qualities, the social dimension is usually driven by

external sources that frame the leader's actions, and the relational aspect concerns the interconnection between the leaders and the staff. These leaders have a unique relationship with employees; charismatic leaders can be powerful agents of change within the organization. Modern theories of charismatic management state that personality and behavior profoundly affect followers, organizations, and society as a whole. An empirical exploration of this model suggests that charismatic leaders practice a consistent approach to communication strategies for implementing change in businesses that increase engagement, empowerment, and profits (Western Governors University, 2023).

Professional Style

Many authors state that the style gives growth opportunities for the organization as well as the employees. Overall growth and promotion opportunities will increase based on the leadership skills exhibited by the leader. It promotes higher customer satisfaction, especially in the sales and hospitality industries, but it is not just specific to those industries; it can be translated to many other industries and increase skills and profits. This style can influence employees to want to do their best; with that, productivity increases, and customers continue to return. This is key to any business's success and bottom line. Even in hard times, followers will do their best to support the company and bring about increased monetary value. It will increase employee support and foster even the average employee to improve their skills to benefit the company and themselves. Also, this fosters an atmosphere of empowerment where workers feel their concerns and opinions are listened to and considered. This can bring extra value added (EVA) and expand its profits, customer base, and the company's overall health. This is critical to the entity's success and keeping clients for life in today's complicated business environment. This is so important in this competitive environment of the 2020s (Ansary, 2022).

Social Identification and Organizational Outcomes

In relation to social identification and organizational outcomes, landmark research done by Taifel and Turner circa 1986 states that work performance is intensely crucial to increased corporate execution of

objectives and completion of the mission and vision. This is positively associated with the employee's identification with the organization. This is important in ensuring staff feel empowered, motivated, and engaged. This leads to organizational identification and the merging of company and individual values and goals. When teams that share these concepts become proud to be part of the organization and more willing to go above and beyond to be successful in daily activities. Transformational leadership styles appear to affect these processes and mindsets and increase profits positively. So, it can be safely said that social identification perceives work contexts and conditions more positively and will improve performance and satisfaction (Cicero & Pierro, 2007).

Charismatic Leadership and Follower Outcomes

In organizational psychology, positive outcomes are suggested to be a consequence of charismatic leadership. Research shows that social identification and leaders being charismatic is linked through social identity theory and the workplace. Charismatic Leadership can be defined as the ability to articulate and inspire a vision that the organization's mission is extraordinary and achievable. Also, it is linked to staff choosing to follow a leader not because of formal authority but because of the leader's exceptional character and actions. Furthermore, the charismatic leadership style is interconnected with the transformational leadership style. This will transform the priorities and values of employees and encourage them to perform beyond all expectations of the organization (Cicero & Pierro, 2007).

What is the Essence of Charismatic Leadership?

In sociology, charismatic leadership is referred to as charismatic authority. This type of leader derives their management style from personal charisma. Max Weber describes this type of leader as having personality traits of character, ethics, heroism, and morals. In contrast, traditional authority can be defined as patriarchy, patrimonialism, and feudalism. In today's world of a multi-generational workforce, it is difficult to get traditional authority to work based on the many different age groups working in the world. The ancient Greeks described charisma as a gift of divine origin and felt it was critical in getting individuals to follow certain objectives and tasks (Szelényi, 2009).

In the 21st century, psychologists and sociologists have described charisma as having useful outcomes. Conceptualization is key to how outcomes are circular in reasoning and sound decision-making. Some researchers have claimed that "if effective, therefore charismatic" (Waters and Waters, 2015, para 5). Charisma can be studied empirically if viewed as a costly signal using values, morals, ethics, symbols, and emotions. Weber's research is valuable in defining the construct of charisma. Social science supports this theory based on the utility of the construct. Charismatic leadership can threaten the boundaries of traditional management concepts of command and control or legal authority. This style tends to challenge traditional authority and is often mistaken for revolutionary. As this style is integrated into the business, the challenge mindset will subside as the organization's success is evident. The conditions in which this happens are called routinization. It becomes routine in the company as profits and positive public relations are apparent. The old doctrine dissolves, and employees realize the benefits of this type of leadership. At this point, motivation, empowerment, and engagement increase as the environment becomes more positive and progressive (Szelényi, 2009).

Dangers of Charismatic Leadership

According to Oakes, an Australian psychologist, some charismatic leaders exhibit a tendency to be narcissistic. He also states that they have an amazing amount of energy but can be unpredictable and can be controlling. Oakes states that these leaders are not bound by tradition or rules and sometimes feel they have the right to determine all aspects of the employee's lives. In these cases, the leader may feel they do not need to be held accountable and require unhesitating compliance (Szelényi, 2009).

Examples of Charismatic Leaders

This style of leadership can give growth to more opportunities. Leaders focus more on the growth and continued opportunities for the staff. This can improve motivation and increase the engagement of the employees. Further stated in the research, these leaders can flow into other leadership styles such as transformational, authentic, and servant leadership, as the situation mandates. Also, this style can lead to higher production and profits. It tends to encourage workers to do their best. Poor quality of work, absences, impatience, and poor work attitude can be eliminated or reduced. Also, it tends to reduce the need for repetitional training on critical factors that the staff needs to foster the organization's success. This stimulates better productivity, and workers will support the company even during difficult times. The style can inspire and motivate a marginal employee to improve their skills. Furthermore, it provides a good example of leadership for all staff. This will cause employees to develop confidence, optimism, task attitude, and high internal self-expectations. Many times, under this tutor-ledge, workers become great leaders themselves. It can also make the workplace appear more attractive and foster characteristics such as enthusiasm, positive personality behavior, drive, respect, appreciation, and trust. This will motivate employees to a higher level of superior task-orientated behavior and do away with a pencil-pushing, result-driven viewpoint (Wong, 2017).

There are many different views and theories on charismatic leadership, both good and bad. The final verdict may still be out because, throughout history, society has seen both good and bad results from this style. Further research should be done so the business world can have a more complete understanding of Charismatic Leadership.

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