The Role of Positive Psychological Traits in Transformational Leadership

by Shikha Gera

Many organizations are forming teams with unique skills to collaborate on a variety of workplace projects. In this age of teamwork, organizations all around the globe are deeply concerned with understanding, searching and developing leadership. Notion of today’s leader is bigger, faster, better and more. Thus, it is the transformational leadership that is gaining importance. Trust is an important ingredient in any type of a team. Given the pace of change in the work environment and challenging work/life situations, leaders need to be more positive in their approaches and build trust among their employees. Leaders are the glue that holds their team together and can make a difference! The intent of this paper is to develop a conceptual model based on prior studies in the form of Input-Process-Output model. The study proposes positive psychological traits as Antecedents to leadership styles which in turn is related to leaders’ outcomes. The study shall document the extent to which the relationship between leadership styles and leader outcomes is moderated by leader’s trustworthiness.

Keywords: Leadership, Performance, Positive Traits, Positive psychology, Transformational Leadership.

1. Introduction

Leadership is the capacity to translate vision into reality.

—Warren Bennis

Organizations all around the globe are deeply concerned with understanding, searching and developing leadership. Prior studies on leadership have produced a consistent pattern of positive relationships between transformational leadership and performance outcomes (see, Judge & Picollo, 2004). However, although the effects of transformational leadership on individuals, groups and organizations are well documented in the literature, there has been astoundingly little empirical research that determines or predicts transformational leadership (Lim & Ployhart, 2004). Therefore, organizations could benefit from a strong theoretical model, allowing them to understand how transformational leadership behaviors are manifested in organizations (Peterson et al., 2009). Drawing on hope theory (Snyder et al., 1991), optimism theory (Scheier & Carver, 1985), and resiliency theory (Masten, 2001; Masten & Reed, 2002), the present study formulates an Input-Process-Output (I-P-O) model based on the positive psychological traits of hope, optimism and resiliency as potential antecedents to transformational leadership, which in turn relates to their performance outcomes in terms of extra effort, effectiveness and satisfaction. Literature defines transformational leadership as a
motivational leadership style that involves presenting a clear organisational vision and inspiring employees to work towards the vision through establishing connections with them, understanding their needs, and helping them reach their potential and contributing to good outcomes for an organisation (Fitzgerald & Schutte, 2010). The transformational style of leadership aims to improve performance by encouraging followers to think beyond self interests by challenging them to achieve what was once thought impossible (Bass & Avolio, 1993; Bass & Riggio, 2006). Based on this premise, the researcher suggests that leaders who are positive in future outlook will engage in transformational leadership behaviors. Accordingly, those individuals who can harness their own positive psychological strengths of hope, optimism, and resilience will be most likely to demonstrate a transformational leadership style of leadership (Peterson et al., 2009). The study also intends to inculcate the mediating role of trustworthiness between transformational leadership styles and their performance outcomes. Trust can be viewed as playing an important mediating role in the transformational leadership process supported by literature (see, Bennis & Nanus, 1985; Yukl, 1989a, 1989b). In sum, the researcher hopes to extend research on transformational leadership by examining potential determinants of transformational leadership, formulating the relationship of transformational leadership with their performance levels. The conceptual I-P-O model framed from prior researches is illustrated in Figure 1, wherein positive psychological traits act as antecedents to transformational leadership style. Transformational leadership style is a process that produces outcomes such as effectiveness, satisfaction and extra effort. Trustworthiness acts a mediator between the Transformational leadership style and performance.

![Figure 1. A model of the antecedents and outcomes of transformational leadership style](image)

2. Theoretical Background and Propositions

Given the pace of change in the work environment leaders need to be more positive in their approaches. Leaders should carry positive traits such as optimism, satisfaction, hope, meaning, and flow. Challenging work/life situations are integrally related to the need for and development of positive behaviors. Contemporary organizations are seeking ways to help leaders and employees by recognising the importance of positivity and concentrating on developing their strengths.
2.1 Positive Psychological Traits

Positive psychological traits represent the extent to which individuals tend to be hopeful, optimistic and resilient in general. Although other positive psychological traits have been identified, however, the researcher focuses on hope, optimism and resiliency. The focus is on these three positive psychological traits in part because theory and research suggest these capacities to be positively related to enduring outcomes such as job performance and problem solving (Luthans, Avolio, Walumbwa & Li, 2005; Peterson & Luthans, 2003). They have also been suggested to play important roles in leadership development (Luthans & Avolio, 2003).

2.1.1 Hope Resource

The hope construct in positive psychology has considerable theoretical development, research support and is considered to be goal directed (Snyder, 1994). Hope is defined as a “positive motivational state that is based on an interactively derived sense of successful (1) agency (goal directed energy) and (2) pathways (planning to meet goals)” (Snyder, Irving & Anderson, 1991, p.287). Thus, hope consists of three foundations: agency, pathways and goals. Specifically, hope is the agreement of the agency, or goal directed energy/willpower, and the pathways, the ways to achieve goals (Snyder, Irving, et al., 1991). In other words, hope consists of both willpower (individuals’ determination/agency to achieve their goals) and “way power” thinking (being able to devise alternative pathways and contingency plans to achieve a goal in the face of obstacles) (Avey, Luthans & Jensen, 2009).

2.1.2 Optimism Resource

Carver & Scheier (2002, p.231) noted that “optimists are people who expect good things to happen to them, pessimists are people who expects bad things to happen to them” as optimists “differ in how they approach problems and challenges and differ in the manner and success with which they cope with adversity. Optimism is realistic and flexible (e.g. see Luthans, Youssef, et al., 2007; Schneider, 2001). Seligman (1998) defines an optimistic explanatory style as one that attributes positive events to personal, lasting and persistent causes, and negative events to external, temporary and situation specific ones. Optimism can be learned by Schneider’s (2001) three-step process that includes leniency for the past, appreciation for the present, and opportunity seeing for the future. Optimism can be a highly beneficial psychological characteristic linked to good mood perseverance, achievement and physical health (Peterson, 2000).

2.1.3 Resilience Resource

Resilience “refers to a class of phenomena characterized by patterns of positive adaptation in the context of significant adversity or risk” which enables individuals to bounce back effectively from adverse situations (Masten & Reed, 2002, p.75). It is the “developable capacity to rebound or bounce back from
adversity conflict, failure or even positive events, progress and increased responsibility” (Luthans, 2002, p.702). Stewart, Reid & Mangham (1997) defined resiliency as “the capability of individuals to cope successfully in the face of significant change, adversity or risk. This capability changes over time and is enhanced by protective factors in the individual and environment” (p.22). The development of resilience is vital to help individuals recover from adversity or personal setbacks when they happen (Avey, Luthans & Jensen, 2009).

2.2 Positive Psychological Traits and Transformational Leadership
Transformational leadership has five dimensions (Bass & Avolio, 1995): Idealized Influence attributes, idealized influence behaviors, inspirational motivation, intellectual stimulation and individualized consideration. Idealized Influence refers to the extent to which a leaders demonstrate behaviours that allow them to serve as role models for their followers. Followers view their leaders as having extraordinary capabilities, persistence, risk taking, consistency and determination. They can be counted on to do the right thing as they demonstrate high standards of ethical and moral conduct. It comprises of Attribute (leaders’ instil pride in others, go beyond self interest, display sense of power and confidence) and Behaviors (leaders’ instil strong sense of purpose, considers moral and ethical consequences of a decisions emphasize the importance of having collective sense of mission, values and beliefs).

Inspirational Motivation refers to ability of the leaders to demonstrate behaviors that inspire and arouse team spirit, enthusiasm and optimism those around them by providing meaning and challenge to their followers’ work. Intellectual Stimulation refers to the ability of leaders to promote innovation and creativity by questioning assumptions, reframing problems, and approaching old situations in new ways

Individual Consideration refers to the ability of leaders to pay special attention to each follower’s needs for achievement and growth and cater to their needs by being an effective listener.

2.2.1 Hope and Transformational Leadership
Transformational leaders make happen positive changes in their organization (Bass, 1998). Hopeful individuals have a high degree of confidence in their ability to stimulate change, by creating the multiple pathways along with the energy or agency that drives them to bring that change (Snyder et al., 1991). Mayer, Davis & Schoorman (1995) suggest that trust in their leader should follow. Thus, with this strong conviction Peterson et al. (2009) maintained that hopeful leaders will be more successful in soliciting in their followers trust, respect and “buy-in” which are the main components of the idealized influence dimension of the transformational leadership.

Second, this confidence is likely to generate inspiration and motivation among their followers with respect to their vision. Similarly, hope theory maintains that more hopeful people take failure differently than do those who are less hopeful. Given the reason, it seems likely that more hopeful leaders will be better at inspirational motivation dimension of transformational leadership. Moreover, the commitment to
goals that is derived from hope is in congruence with both the idealized influence and inspirational motivation dimensions of transformational leadership because leaders who unfailingly persevere will be perceived as confident visionaries and will, thus, be more prone to demonstrating behaviors that serve as role models (Bass, 1998).

Third, because thought provoking employees are associated with intellectual stimulation, it follows that those individuals who thrive on challenge will make better transformational leaders. Furthermore, pathways thinking will encourage leaders to design multiple alternative strategies when one confirms to be difficult (Luthans & Youssef, 2007). Finally, hope not only aid leaders in creating their own pathways towards goal achievement but also provide clarity regarding necessary pathways needed to subordinates to attain goals (Peterson, et al., 2009).

Last, pathways thinking induce leaders to design multiple alternative strategies to achieve a given goal. As different employees respond to different management styles at different situations, transformational leaders must adopt the style that is more appropriate for dealing with specific individuals. Hopeful leaders will have imagined numerous pathways for responding to any scenario or employee emotional state (Luthans & Youssef, 2007). Once a clear path has been tailored to the specific needs of each subordinate, leaders can then provide the needed individualized consideration to help them attain their goals (Peterson et al., 2009). The researcher hereby proposes that:

P1: Leaders with greater positive psychological trait of hope are rated as more transformational leaders

2.2.2 Optimism and Transformational Leadership

Optimistic leaders envision and portray a positive future to their followers. Transformational leadership necessitates that leaders have a positive and the inspirational vision (Bass, 1998). Therefore, it seems likely that more optimistic leaders will more likely the transformational leaders. Their conviction that good things will happen may also foster their belief that change is possible and positive which is a mandate requirement of transformational leadership behavior (Peterson et al., 2009).

First, given that optimistic people seek out more pleasant scenarios and ignore negative stimuli, research on optimism has found that people higher in optimism experience positive moods more often (e.g. Segerstrom, Taylor, Kemeny & Fahey, 1998; Wenglert & Rosen, 1995) are less likely to experience negative emotional states. Even in the face of negative circumstances, they remain upbeat and enthusiastic (Segerstrom et al., 1998). Leaders who have these qualities are likely to inspire confidence in their followers’ which is an important element of idealized influence. With theses, strong convictions Peterson et al. (2009) is of the view that leaders may be able to convince others that positive change is possible and motivate them to work toward that change.

Second, it appears that leaders would need to have a positive outlook for the future to be inspiring and motivational toward others. Conversely, leaders who have bleak and pessimistic outlook would likely have difficulty in inspiring their followers. In addition to their more positive outlook in general, optimists
have found to approach problem differently than do the less optimistic. Optimists exhibit more active and are less likely to adopt avoidant coping styles when faced with problems or stressful circumstances (Brissette, Scheier & Carver, 2002). It seems that when optimistic leaders use active and creative approaches towards problem solving, they motivate and challenge their followers to do the same, thereby providing both intellectual stimulation and inspirational motivation to their followers (Peterson et al., 2009).

Last optimists have been showing to have more satisfying and stronger relationships with others- at least in part because of their strong convictions and others provide them with needed support (Srivastava, McGonigal, Richards, Butler & Gross, 2006). According to Peterson et al. (2009), it seems plausible that leaders who have stronger relationships with their followers and feel more supported by them will be more likely to, in turn, provide needed support and individualized consideration to them. Therefore, the researcher proposes that:

*P2: Leaders with greater positive psychological trait of optimism are rated as more transformational leaders.*

### 2.2.3 Resilience and Transformational Leadership

Transformational leadership always focus on bringing about positive changes for one’s organization (Bass, 1998) more resilient leaders may be better prepared for inevitable setbacks and failures. First, resilient individuals not only cultivate positive emotions in themselves but also are skilled at eliciting positive emotions in relevant others (Werner & Smith, 1992). The dissemination of resilience, especially during trying times, may help to motivate and inspire others. Conger & Kanungo (1987) argued that leaders utilize emotions to arouse motivation and feelings in their followers. Accordingly, more resilient leaders are likely to be higher in inspirational motivation because they tend to experience and develop positive emotion in others, which in turn increases followers’ confidence in their ability to enact the leaders’ vision.

Similarly, more resilient leaders’ confidence and demonstrated capabilities in rebounding from setbacks are likely to lead their followers to hold them in high regard. More resilient individuals have been found to experience higher well being (Tugade & Fredrickson, 2004). Therefore, Peterson et al. (2009) believed that their clear and confident vision of the future is likely to be positively related to idealized influence. Conversely less resilient leaders, who appear either emotionally unfulfilled or ambivalent concerning life paths are unlikely to experience well being nor regarded.

Because resilient leaders are more confident in their ability to deal with failure, they may be more likely to encourage employees to take risks and to pursue innovative and creative activities. For example, the intellectual stimulation dimension, which refers to the leaders’ ability to motivate followers to meet their potential, may be enhanced by leaders’ resiliency. Therefore, the researcher proposes that:
P3: Leaders with greater positive psychological trait of resilience are rated as more transformational leaders.

2.3 Mediating links of trust in leadership and outcome variables

Trust is a multidimensional and complex construct that is studied in different disciplines such as sociology and psychology. “Trust is a psychological state comprising the intention to accept vulnerability based upon positive expectations of the intentions or behavior of another” (Rousseau, Sitkin, Burt & Camerer, 1998, p.395). Trust can be defined as “the willingness to be vulnerable to the actions of another party based on the expectations that the other will perform a particular action important to the trustor, irrespective of the ability to monitor or control that other party” (Curseu, 2006, p. 255). Trust is defined as the willingness of one party to be vulnerable to the actions of others (Granovetter, 1985; Lewis & Weigert, 1985) based on a prior belief that they are trustworthy (Mayer, Davis & Schoorman, 1995; Sitkin & Roth, 1993). Trust is reported to reduce transaction costs (Handy, 1995) increase confidence and security in the relationship, and promote open, substantive and influential information exchange (Earley, 1986; Larjelere & Huston, 1980).

Several dimensions of trustworthiness have been documented in the management literature, including a concern for others’ interests, competence, openness and reliability (Hart & Saunders, 1997; Mayer et al., 1995). Trust in a dyadic relationship arises from attributes associated with a trustee and a trustor (Mayer et al., 1995). “The trustee attributes are his/her perceived ability, benevolence and integrity” (Jarvenpaa et al., 1998, p.31).

Bennis & Nanus (1985) have suggested that effective leaders are ones that earn the trust of their followers. Trust in the leader plays a crucial role in the transformational leadership. Finally, as noted by Yukl (1989b) one of the important reasons why followers are inspired by transformational leaders to perform beyond expectations is that followers trust and respect them. Clapp-Smith, Vogelgesang & Avey (2009) also demonstrated the partial mediation of trust between authentic leadership and performance outcomes. Indeed, Kouzes & Posner (1987) cited several studies all of which indicated that the leader characteristics most valued by followers are honesty, integrity, and truthfulness. Thus, trust can be viewed as playing an important mediating role in the transformational leadership process.

Given the theoretical discussions of Bennis & Nanus (1985) and Yukl (1989a, 1989b) is that followers trust in his or her leader has not been given more attention in empirical research as a potential mediator of the effects of transformational leader behaviors on criterion variables. In traditional teams, members get the opportunity to easily develop relationships at work because of the increased frequency of interactions that take place in the form of face to face in a verbal or non-verbal form. However, formation of trust is slow and gradual in virtual teams. Also, there is still need for more research within this field to get more comprehensive knowledge about the role of trust in a virtual team context as trust is psychological and important in organizational life. Therefore, the researcher proposes that:
P4: Trustworthiness mediates the relationship between leadership styles and leaders’ outcomes (extra effort, effectiveness and satisfaction).

2.4 Transformational Leadership and their outcomes

In recent times, there is an extensive literature on leadership (for e.g. Hambley, O’Neill & Kline, 2007; Ocker et al., 2011; Pauleen, 2003; Purvanova & Bono, 2009). In the context of teams, several studies have focussed primarily on exploring transformational leadership (e.g. Hambley et al., 2007; Purvanova & Bono, 2009). Pounder (2008) examined the effect of transformational leadership style on extra effort. Moynihan, Pandey & Wright (2011) found the relationships between transformational leadership and performance information use by emphasizing on goal clarity and organizational culture. Lee, Cheng, Yeung & Lai (2011) determined that transformational leadership have an impact on team performance. Zhang, Cao & Tjosvold (2011) found that transformational leadership promotes team coordination and team performance by encouraging teams to adopt cooperative, as opposed to competitive, approach to conflict. Purvanova & Bono (2009) found that transformational leader behaviours were positively linked to performance in virtual teams than face to face teams. Sosik (1997) also, showed a positive and significant relationship between transformational leadership and performance, extra effort and satisfaction.

Based on the theory building and research to date the researcher proposes that:

P5: There is a positive relationship between transformational leadership and their effectiveness
P6: There is a positive relationship between transformational leadership and their satisfaction
P7: There is a positive relationship between transformational leadership and their extra effort.

3. Scope for Future Research

One valid critique is that there is too much emphasis in positive psychology in the individual and too little focus on positive societies, institutions and situations. It does not consider the impact of neighbourhoods, social groups, organizations or government in shaping the positive behaviors. Therefore, future researches should consider the impact of external factors.

Since, the proposed model does not consider the effect of other variables on positive psychological traits that act as moderators in defining the leadership style. There is a need to continue exploring the moderators and mediators that increase or decrease the effects of positive psychological factors in the transformational leadership styles.

The other avenue of research should be that the proposed model can be empirically tested to include the element of culture as well. Therefore, future researches should be conducted across cultures and countries to define the cultural impact on this model.

Future researches should also focus on the data collection through other raters’ such as subordinates, superiors etc so as to have control over the mono method bias that occurs due to self report measures.
This would help prevent inflated correlations. Also, the focus of the study should be short term or long term in nature to have different perspectives on the same model.

4. Conclusion

There has been an increasing emphasis on work teams that operate in an environment that tap the strength of diversity in terms of skills, experience, knowledge and expertise. In the light of today’s turbulent environment characterized by economic uncertainties, heightened geographical unrest, globalized, 24/7 competition, and never ending advanced technology Luthans (2002) is of the view that the time has come to lead of psychology and take a proactive positive organizational approach. Training can be imparted to develop positive traits among the present leaders.

As noted by Daft (2004) “considering the turmoil and flux in today’s world, the mindset needed by leaders is to expect the unexpected and be prepared for rapid change and potential crisis” (p.8). Thus, the literature seems to be lacking a thorough understanding of these mechanisms in teams. Trust is found to be the lubricant necessary for diverse team members to interact fruitfully as it contributes to the functioning and performance of teams. There is still more need of research to explore the levels of trust and positive traits in our leaders. The proposed I-P-O model can be tested across teams and organizations.

References


About the Author:
Shikha Gera is a Research Scholar in Faculty of Management Studies (FMS), University of Delhi, New Delhi, India. The author has done B.Com (Hons) from Delhi University (2007) and an MBA in Human Resource Management and International Business from Guru Gobind Singh IP University (2009). Shikha’s research interests include Organisational Behaviour and Human Resource Management. She has written several research papers on leadership, psychological capital and virtual teams.

Corresponding Author’s Email:
phd_shikha.g13@fms.edu, shikha.gera86@gmail.com