State of Inspirational Leadership in new millennium Human Resource Environment

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Abstract

Leadership is a known phenomenon in the gamut of business since its inception. The word is undergoing drastic changes in the field of business like business leader, leader-manager, transactional leader, authentic leader, ethical leader, transformational leader, spiritual leader and so on. Leadership is a hot cake discipline to most of the researchers in different disciplines. However, in the field of business the term has different connotations due to organizational convenience or structures. Leadership by its nature is a complex theme in the field of business. There were lots of researches on this crucial element. However, a research in the field of inspirational leadership is gaining momentum these days and most of the researches are incomplete in this domain. One of the major reasons for incomplete research in this field is its nature and connections to various other disciplines. The other reason for its gaining importance is dynamic Human Resource environment.

Human Resource Environment in new millennium has placed before the business lot of challenges. Human Resource Departments and HR Managers have to deal with these challenges by building necessary competencies, capabilities and talents. The present research paper aimed at identifying these challenges and made attempts to resolve certain issues and problems with the help of "Inspirational Leadership" mechanism.

Key Words: Inspirational Leader, Structures, HR Environment, Challenges and Competencies

Introduction:

Leadership is known phenomenon but it is very difficult to define. In one way leader is an individual within in a group who wields most influence over others. It is evident from any civilization or mythology that leaders are considered to be special. However most of the early notions speak about personal abilities of a leader such as with supernatural powers, ability to see through men's minds, telling the future and extracting obedience hypnotically.

In the field of business it is generally viewed as influencing others towards the accomplishment of goals. In one way the desires of organization are transformed into a burning passion for accomplishment by the leader. Though organizations may not use specifically the word "Leader", they generally resorts to usage of similar other words such as leader-manager, manager, managing director, chair personnel, chief and chief executive officer etc. as per the individual's position in the organizational hierarchy.

There are certain concepts that a manager is more than a leader. According to the position of a manager, he has to organize and control the activities of people toward the plan, accomplishment of objectives. However, some researchers made attempts to differentiate leadership from manager ship. Finally they sum up one theme that **"all managers are leaders but all leaders are not managers".**

As per this theme, a leader-manager in an organization is the foundation, he/she has to plan and organize all the activities with coordination and team orientation. However, this appears to be simple but very complex due to the dynamic nature of business. A manager-leader must be visionary and intended to foresee each and every aspect with a different mind set by analyzing the pros and cons of

all aspects in the business for which he is intended to act as transactional leader-manager. The leader-manager may occupy his/her position as production, marketing, finance, research & development and human resource manager. Leader-manager has to keep an eye on the dynamic nature of environment and its ramifications on the business. The potential leader-manager must possess certain key competencies to diagnose various environments such as marketing, legal, political, economical, technical, cultural, and demographical and one of the complex environments dealing with all these environments is "Human Resource Environment". All leader-managers should aware of their HR environments failing to do so is in one way an invitation to disastrous environment to the business for which he/she is intended. Leader-managers need not necessarily possess expertise on this crucial HR environment and it is their responsibility to understand this complex environment and most of the researchers have sum up one theme on this aspect that **"all managers are human resource managers".**

Problem Statement:
Human Resource Environment is highly volatile than in any other period since World War II. During the last 10 years of the twentieth century, many political development at home and abroad were took place and they have massive impacts on human resources. The erstwhile communistic countries became global markets for western goods, suppliers of labour and competitors. Technology and internet had its impact on thousands of e-business and e-commerce operations. Implementation of People Soft and SAP has led to restructuring of human resource departments, jobs and processes. A drastic shift from individual to joint accountability has spread in most of the business houses. Float of new organizational structures created new organizations like unbundled corporations, network organizations, cellular organizations and respondent organizations.

The above mentioned dynamic changes cannot take place overnight and without any forethought. There must be a driving force behind any change. One such driving force that captured the interest of the present research is "Inspirational Leader". A problem statement is thus formed on "State of Inspirational Leadership on organizational building in Human Resource Environment".

Methodology:
The present research majorly relied on secondary sources of data like reference books, research articles, journal papers, web sources, and other published sources. These sources are further analyzed to find the gross root causes behind any environmental force to take place in business.

Review of Literature:
The current study is the culmination of the following early researches in the field. There have been thousands of published articles and books dealing with leadership over the past 40 years. The situation with respect to Human Resource Management is not uncommon on this aspect.

Ronald J.Burke and Cary L.Cooper (2006) in an edited book on Inspiring Leaders reviewed early researches in the field of leadership under the domain emerging models, qualities, development and defects in leadership.

Charles R.Greer (2012) in his book on Strategic Human Resource Management: A General Managerial Approach mentioned significantly the Human Resource Environment and the challenges of HR in various areas.

Jerald Greenberg Robert A.Baron (2010) in their book on Behaviour in Organizations, discussed thoroughly Leadership in Organizations with supportive inputs on Leadership Development.

Rao VSP (2009) in his book on Organizational Behaviour under leadership domain, discussed the importance and improvement of leadership potential with distinction on Transactional and Transformational Leadership.

Kavita Singh (2010) in her book on Organizational Behaviour Text and Cases discussed various perspectives on leadership with emphasis on Charismatic and Ethical Leadership.

David Lepak and Mary Gowan (2009) in their book on Human Resource Management Managing Employees for the Competitive Advantage, given an account of various Human Resource Management Challenges.

Gary Dessler and Biju varkkey (2011) in their book on Human Resource Management mentioned the various trends shaping the human resource management.

P.Jyothi and D.N.Venkatesh (2011) in their book on "Human Resource Management" under Human Resource Management in Dynamic Environment discussed the Presence Scenario of Human Resource Management.

Harold Koontz and Heinz Weihrich (2013) in their book on "Essentials of Management identified that there are similarities between charismatic leaders and transformational leaders

Inspirational Leadership a prologue:
Inspirational Leadership a type of leadership built on leader's charisma and the ability to transform and revitalize their organizations. However, there are certain controversies over this aspect. Some researches viewed that inspirational leadership is beyond charisma. Some researches coined the term with "Transformational Leadership". Nevertheless, the researchers have formed certain guidelines to become transformational or inspirational leader. Some of the guidelines are as follows:

1. Provide clear vision to your subordinates
2. Reward experimentation and tolerate mistakes
3. Set high goals for your followers and expect achievement
4. Develop personal relationships with your followers
5. Provide a supportive environment and
6. Empower them

An interesting point to notice with respect to inspirational leadership is that it starts with "you and me". Inspirational leadership does not begin with imitation – it begins with origination – by the person him or herself.

Are Inspirational Leaders Born or Made?
One of the controversial topics in the field of leadership is, are leaders born or made? There are certain fundamental forces that appear to operate in the development of leaders. Some of them are genetics, childhood dynamics, early life experiences and work experiences. Genetics plays a role both at intelligence and physical energy and other aspects such as emotional intelligence, creativity also have a genetic component.

However, to become an inspirational or transformational leader one may have to suffer for existence in life, though many who suffer will fail as leaders. The difference is how the individual develops by addressing or tackling the difficulties, events and challenges. Another crucial point in emergence of inspirational leadership is it may be positive (through a mentor) or negative (losing a job or termination).

Whether Inspirational Leadership can be learned?

The major problem rests with this question is many organizations do not want leaders but they prefer to have managers. Though organizations wish to have potential leader-managers they generally undertake lot of methods to impart abilities and competencies to build leadership talents. However, in reality leader-manager capabilities develops not through classroom, seminars and other programmes and it majorly takes place through "on the Job" itself.

Agenda of Inspirational Leaders:

Inspirational leader-manager focuses on certain key elements in building their leadership capabilities they are:

1. People
2. Task
3. Values
4. Ethics
5. Emotions

Inspirational leaders use a blend of people orientation with a rigor towards task achievement. In achieving tasks they give a reasonable concern to values, ethics and emotions of people. In one way these five forces are very critical for business development and success. The following table (see table 1) summarizes the areas of concern of great business leader-managers.

Table 1: Great Inspirational Leaders and their areas of concern

Leader – Manager	Organization	Areas of concern
Steve Jobs	Apple Computer	Task
Charles Schwab	Charles Schwab	Ethics
Herb Kelleher	Southwest Airlines	People
Mary Kay Ash	Mary Kay Cosmetics	People
Rupert Murdoch	News Corporation	People
Walt Disney	Walt Disney Co.	Creativity
Jack Welch	GE Group	Task
Jack Stack	Sprinfield Manufacturing	People
JRD Tata	TISCO	People and Task
Deerubhai Ambani	Reliance Industries	Task
Kumaramangalam Birla	Aditya Birla Group	People and Task
Adi Godrej	Godrej Group	Task
Narayana Murty	Infosys	People & Ethics
Ajim Premji	Wipro Group	People & Task
Warren Buffett	Berkshire Hathaway	Shareholders Money
Bill Gates	Microsoft	Skill Building

Source: Author

Though the list is not exhaustive most of these great leaders posses certain characteristics in common. Some of the characteristics as per research are prescribed in Table 2.

Table 2: Characteristics of inspirational leaders

Characteristic	Description
Drive	Desire for high achievement, high levels of energy, ambition
Honesty and Integrity	Trustworthy, reliable and open
Leadership motivation	Desire to exercise influence over others
Self-Confidence	Trust in own abilities
Cognitive ability	Intelligence, ability to interpret large data
Nuts and Bolts of Business	Knowledge of industry and business
Creativity	Originality
Flexibility	Adapting to the needs of followers

Source: Jerald Greenberg and Robert A. Baron

Inspirational Leadership and Human Resource Environment:

Organizations chalk out plans through their vision and mission statements and they convey intentions regularly through strategic planning meetings. These statements and meetings may turn out to be redundant without articulation of the means to achieve. Inspirational Leadership is something different, which focuses "Inspiring" part. Inspirational leaders' attempts to inspire their means may be employees, teams or groups to raise difficult and interesting questions about how people can be committed with high energy in reaching targeted goals. They attempts to touch most critical component of human "emotions" in order to perform well. This typical leadership phenomenon involves influence at three levels. They are:

1.   People
2.   Connect People with Core Values, and
3.   Propelling people to high-energy action

Influencing these three levels is not so easy and it requires solid efforts on the part of inspirational leaders. Some of the efforts of inspirational leaders in influencing the followers are as follows:

a.   They will do rigorous strategic homework
b.   They shows authenticity
c.   They brings clarity to language
d.   They follow memorable or inspirational communication (Dream Speech)
e.   Sense of respect to each and every body

Inspirational Leadership and Dynamic HR Environment:

Inspirational Leaders are flexible enough to adapt to the changing Human Resource Environment. In fact, they predict the possible course of future environment with their intelligence. They are capable of understanding the situations in an appropriate manner. Nonetheless, the environmental forces under which their business operates and their role in handling those turbulences is quite noteworthy. Some of the challenges in Human Resource Environment in the new millennium are depicted in the foregoing discussion. Overcoming of these challenges without a great leadership is undoubted. It is worth to note such challenges.

Inspirational Leadership – Workforce Diversity:

Diverse workforce in organizations is increasing throughout the world. It may be due to increased educational levels, initiatives of government, women empowerment, organizational issues, rate of immigration and age of level employee entering the corporate world etc.

Effective management of diversity can increase productivity and problem-solving ability. For example, bilingualism and biculturalism have been found be related to divergent thinking, which in turn has been hypothesized to be associated with creativity. A best example from corporate field is Avon Corporation, which had success with this strategy. Companies having good records in managing diversity may be able to attract better employees.

It is the potential leader-manager responsibility to promote HR policies, which are more open-minded, have less standardized operating methods, and have developed skills in dealing with resistance to change.

Inspirational Leadership – Team Management:

Increased team orientation is another phenomenon in dynamic HR environment. This is one of potential areas of interest for leader – manager. A number of companies like P&G, Eli Lilly, and Motorola have developed substantial expertise in the effective utilization of teams. In spite of several advantages with work teams, there are also disadvantages associated with work teams like sometimes they may be dysfunctional.

Potential leader – managers have to organize and see that they are in small size, formed for common purpose, commitment, common standards, accountability and assignment of roles within the team. Another concept that is gaining momentum is "Virtual Teams". Under this members work closely together even though they are based at different locations, including different countries, and may even be in different time zones. A good example for this methodology is "Johnson & Johnson".

Inspirational Leadership – HR Outsourcing:
Human Resource Outsourcing is one of the most significant challenges these days HR is facing. It is understood as the permanent contracting out of activities that were previously performed in-house. Surveys have found that as many as 91 to 93 per cent of responding companies engaging in outsourcing. The potential reason for outbreak of this phenomenon is majorly due to strategic and operational influences. In addition to this outsourcing has been used to obtain specialized expertise that is not available in-house. During the past two decades, downsizing has often reduced the number of human resource specialists in human resource departments. This reduction in staff has required organizations to go to outside vendors to obtain specialized services, such as for test validation or in-depth assessments for leadership development.

Inspirational Leadership – Open-Book Management:
Open-book management philosophy relied on the notion that empowered employees can make informed decisions and take informed actions on behalf of the organization. Basing on the inspirational leadership of Jack Stac of Springfield Manufacturing association, the culture of open-book managed is followed by many organizations like R.R.Donnnelly and Sons, Carolina Safety Associates, and Termined (North Carolina), The Bradshaw Group, Inc., in Richardson, Texas, provides an example of a small company that is also practicing the same philosophy.

Inspirational Leadership – Total Quality Management:
Total Quality Management (TQM) is pioneered by Edwards Deming with a systematic approach in achieving high levels of quality. The leader-managers of leading companies like Motoroloa, Cadillac, and Xerox brought successful TQM through employee empowerment. One of the major requirements for successful implementation of TQM rests with employee training. Employees are empowered in reducing the error rate in terms of products and services.

Inspirational Leadership – Integrated Manufacturing:
Integrated Manufacturing is a new approach for streamlined manufacturing. This system is composed of advanced manufacturing technology (AMT), TQM and just-in-time (JIT) inventory control methods. These systems require knowledge workers whose levels of technical and problem-solving skills are advanced beyond those needed for earlier forms of manufacturing and have major implications for human resource management. Companies in which leader-managers lays emphasis on AMT and TQM, there is more selectivity in hiring, more comprehensive training, greater developmental use of performance appraisal, and greater emphasis on external pay equity.

Inspirational Leadership – Reengineering:
Reengineering also termed as process innovation is in practice since late 1980s by companies, which are facing intense completion. The process of reengineering is directed to lower costs by eliminating unneeded activities and consolidating work. It is also aimed at work across traditional departmental boundaries in order to accomplish work more quickly in cross-functional teams. Reengineering requires team leadership with cross functional coordination and the crossing of organizational boundaries.

Inspirational Leadership – Management of Professionals:
A problem before Human Resource Management in future is to develop career paths for professionals. To move up in an organization, professionals have traditionally pursued an administrative track. Since

they are often unprepared for management or administrative careers, they may not find suck work satisfying. Therefore, dual career ladders have to provided, one in management and the other within professional work. Accordingly, a great challenge before the Human Resource Department-Leader Managers is to develop career tracks for professionals that will enhance organizationally loyalty.

Inspirational Leadership – Aging workforce:
Due to the advent of health consciousness the average age of workforce is moving towards age 55 to 64. Some of the implications of aging are, the workforce will be more experienced, stable, and reliable. As a result, it should be more productive. However, aging workforce may lead to less flexibility, generation of greater costs in terms of pension and health care etc. A study of labour force from 1998 to 2008 indicates a sharp rise of work force in the age of group of 55 to 64 from 13,215,000 to 20,588,000 (+55.8%) alarms leader-managers to handle an experienced and talented age group.

Inspirational Leadership – New Organizational Structures:
Organizational structure basically indicates the superior subordinate relationship. The new millennium HR environment alarms the poor structural hierarchies. Regardless of the exact form, many organizations have become much less hierarchical. More work is being performed in task force teams and project-oriented work groups. Likewise, there is evidence that organizations are becoming more flexible, porous, and adaptive. In some, the organizational structure may become less pyramidal and more like a set of concentric circles. Changes entailing more real participation, de-emphasis of managerial status, new forms of superior-subordinate relations, and rotating leadership roles requires different managerial skills.
Leadership of many companies cannot take for granted the emergence of managers with the skills to operate in such environments. As a result, their numbers and skill requirements must be anticipated and developmental experiences planned so that the organization will have an adequate number on hand when the need emerges.

Inspirational Leadership and Key Competencies:
One of the key themes of leadership is that best leaders inspire others around them. But what allows or enables a person to initiate or sustain such talent?

Research published over the last 30 years or so shows that outstanding leaders appear to require three clusters of talent. They are:
1.   Expertise and experience
2.   Knowledge
3.   Basic cognitive competencies such as memory and deductive reasoning
Though the list of competencies is expanding, the most inspiring insights from research show that competencies can be developed through leadership development. It is on the part of the universities, companies and Government agencies etc., to undertake the process of coaching leadership talents to create noble social environments.

Inspirational Leadership and Charismatic Leadership:
The early studies made by Robert J. House on Charismatic Leadership found that charismatic leaders have certain characteristics, such as being self-confident, having strong convictions, articulating a vision, being able to initiate change, communicating high expectations, having a need to influence followers, demonstrating enthusiasm and excitement and being in touch with reality. At the same time transformational leaders identify what subordinates need to do to achieve objectives, clarify organizational roles and tasks, set up an organizational structure, reward performance, and such leaders work hard and try to run the organization effectively and efficiently. Further, transformational leaders articulate a vision and inspire followers. They also have the capacity to motivate, shape the organization culture, and create a climate for changing the organizations. Therefore, in one way both the charismatic leaders and transformational leaders fall under the category of inspirational leadership.

Overall view of Inspirational Leadership:

In one of the research, seven characteristics of inspiring and motivating leaders were identified. They are:

- They show enthusiasm regularly
- Vision with clarity and a burning desire to cherish it
- They tell memorable stories
- They invite followers to participate
- They have an optimistic outlook
- Ability to encourage people with their full potential
- Flexibility in adjusting their behavior as per the situation

Conclusion:

Though inspirational leadership is a necessary requirement yet inspiring followers, teams, employees, groups and others is not an easier affair. The corporate world has seen more leadership failures than successes. The new millennium raised some new challenges as mentioned earlier for leaders especially in Human Resource Environment. Therefore to conclude aptly that anything less than Inspirational leadership is just a plain leadership, or worse, managerial maintenance.

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