The Impact of Motivation Through Leadership on Group Performance

Adriana Elena ŢEBEIAN[1]

Abstract

We live times of change, due to technological development, when information and knowledge are main elements of power.

Organizations must not underestimate the importance of employees, owners of information and knowledge. How to motivate and keep them is a real challenge in the actual business world.

The main objective of this study is to present a new approach in motivating employees and increasing their performance. Our approach is based on the assumption that the leader is the key factor, the generator and sustainer of a healthy working environment. Our research is focused on identifying how two leadership styles: transformational and servant leadership are used by existing leaders to achieve desired team performance.

Based on a vast literature research, the conceptual model was built, considering the impact of the two leadership styles on motivational factors, their influence on job satisfaction and ultimately on team performance.

One contribution of this research is introducing elements of servant leadership and transformational leadership in the empirical research. A second contribution is creating an overall conceptual framework which can be applied into practical context.

Keywords: *servant leadership, transformational leadership, motivation, team performance, job satisfaction.*

JEL classification: M 12, M 52, O 15

Introduction

Any organization that aims at staying on the market in the current environment should not underestimate the importance of capable, well- trained staff with proven skills and capabilities. The first element of the present study is the leadership and its influence on employees: how different leadership styles can influence employee behavior.

The leadership has seen many dimensions over time, theories have complemented each other, reality and practice have brought about new elements and opened new lines of research. Perhaps a clear and unanimous definition, a method or theory will never be widely accepted. Nowadays leadership must value teamwork, recognize the importance of diversity, know how to share power,

[1] **Adriana Elena ŢEBEIAN,** West University of Timisoara, Romania
E-mail: tebeian_adriana@yahoo.com

knowledge, success and failure with subordinates. Power is an ingredient of leadership, which skillfully used and shared with subordinates may bring about unexpectedly good results. Employees feel valued and important, self-confidence may increase as a result, individual and group performance levels may be higher. Motivation through leadership may be the ace in the sleeve, now that studies have shown that people are essentially different and traditional methods of motivation do not work the same in each individual.

Leadership, motivation, team, power, performance, satisfaction and passion are all terms that have been heavily analyzed and discussed for centuries. Theories have changed over time. They were either complemented with new ideas or reality gave them a whole new perspective. Opinions are divided, all definitions are subjective to a certain extent, each theoretician, analyst, philosopher, economist has added his personal touch, but there are still many common elements. A current problem that many organizations are facing is employee turnover. Imbalances within the team may occur as a consequence of the fact that employees with a high degree of know-how are leaving the team while new members are joining it. The level of expertise developed within the team may decrease, extra effort is invested in forming new networks, new financial and informational resources are invested in order to bring the knowledge of the new members up to the expected level. All these have a negative influence on productivity and on other expected outcomes of the organization in general. Maintaining a high level of employee satisfaction is a challenge for most organizations. The way in which the companies act to this end differs from one organization to another. There have been used various methods correlated with the evolution of scientific theories related to the work psychology and organizational bahavior fields. The present study advances an approach that makes the link between the leadership, as a pawn generating and supporting a high level of employee job satisfaction, and the application of a continuous motivational model. Moreover, the leader must stimulate the group climate and by changing his attitude, towards the group members under the pressure of events, the action context changes. In such situations the leader's style becomes extremely important for the others (Manole, et al, 2011 in Androniceanu, 2011)

Consequently, the present study aims at analyzing the influence that a leadership style that is appropriate for the organizational cultural environment may have in solving, or at least in improving the above mentioned issues. The leaders' involvement in the implementation and support of the motivational model proposed in the present research may lead to increased job satisfaction of employees. Starting from the assumption that there is a bidirectional link between job satisfaction and the performance achieved, the present study focuses on increasing performance at the level of the group as a final result.

1. Literature review

The main elements of the research model presented in this paper will be briefly described in the next paragraphs, as they can be found in the literature, also underlining the main connections identified between constructs.

❖ **Transformational Leadership**

As Bass calls it, transformational leadership is a "new paradigm" (Bass, 1998 in Zlate, 2007, p.234). It is 'a new approach to management', and the roots of this new concept date back to 1978, when Burns used the term for the first time: Leadership. Unlike transactional leadership, which was based on the exchange between leader and subordinate, transformational leadership goes one step further, turning that profitable exchange into one with a strong emotional connotation. Special attention is paid to the subordinates' emotional attachment to the organization, to their identification with their leaders, to increasing motivational resources, to sharing the vision of the leader and the organization as a whole. Emotional involvement is the key factor in choosing this type of leadership in order to build the model of "management" of the work team, but not the only one, as it will result from the following paragraphs. Transformational leadership, as initiated and developed by MacGregor Burns (1978) and Bernard M. Bass (1985) becomes more and more useful within the organizational framework. Researcher Yukl (1998) stated that transformational leadership is first and foremost a process of engagement in achieving joint objectives of the organization and only secondly a process of encouraging the disciples to meet them (Stone, Russell Patterson, 2004: 350). In his book "Leadership and Performance Beyond Expectations", Bass (1985) transferred the concept of transformational leadership into the organizational context and examined the characteristics of transformational leadership, both public and private organizations and emphasized four transformational leadership factors: charisma or idealized influence, inspirational motivation, intellectual stimulation, individualized consideration towards disciples. (Avolio, 1991 in Stone, Russell Patterson, 2004)

The era of transformational leadership is the most recent and perhaps the most complex one. It can also be the most promising one, due to the fact that it contains elements of all precedent eras (e.g. charismatic, behavioral, transactional), and brings new elements into attention: intrinsic motivation, proactive in thinking, radical leaders and not conservative leaders, innovative and creative leaders (Bass, 1985). The desired outcome is dedication and enthusiasm and not obedience and indifference. (Yuckl, 1989).

❖ **Servant Leadership**

Most recent studies see transformational leadership as the most complex one. A new concept is taking hold, so things are gaining a new perspective: who is in fact the leader? Who serves who? These questions were answered by Greenleaf's model of leadership.

Various similarities have been identified between transformational leadership and servant leadership, starting from the very basic concepts: vision, influence, credibility, trust, support, service. But with regard to servant leadership, it can be argued from theoretical studies that it transcends the boundaries of transformational leadership by simply aligning the motives that drive the leaders

with those that drive their disciples. The core concept of leadership within the team is 'the first among equals' ("primus inter pares").

In 2002, Barbuto and Wheeler described Servant Leadership by eleven characteristics. This image, based on the most influential works in the field is fundamental for further research, since it fulfills Greenleaf's original idea. In 2002 as well, Russell and Stone restricted the number of attributes to nine and called them functional attributes due to their frequency in specialized literature: Vision, Honesty, Integrity, Trust, Service, Training, Pioneering, Appreciation of others, Empowerment. These nine functional attributes form the basis of the Servant leadership construct within the research model of analysis presented in this paper.

❖ **Motivational model of team performance**

The "motivational capital" of an individual has had impressive dynamics over time, therefore, organizational-managerial psychology must be concerned with getting to know the individual as much as possible (...) and with refuting a series of misconceptions existing in organizational environments. One of these consists in the unrealistic faith in the valences of motivational stimuli. Some people wrongly assume that only money motivates people. (...) Another misconception stems from the tendency towards dichotomizing organizational bahavior into motivated and unmotivated bahavior. (Zlate, 2007) In their article published in the Haward Business Review, 2008, Nitin Nohria, Boris Groysberg and Linda Lee-eling put forth a new model of employee motivation starting from Maslow's principles and valuing new discoveries in the neuropsychological fields.

Having the advantage of knowledge and technology, nowadays researchers may ground their studies on concrete results, scientifically proven, and not only on objective observation, no matter how documented it may be. The four drives or needs identified by Nitin Nohria, Boris Groysberg and Linda Lee-eling are interconnected at the brain level, and the level of fulfilment of each of them directly influences emotions, therefore bahavior as well. It is scientifically proven that transformational leadership coordinates organization members in order to accomplish the vision, beliefs, values and skills through team goals and a positive performance. Podsakoff et al. (1990) (in Chen-Tsang (Simon) Tsai, Ching-Shu Su, 2011) have identified the following dimensions of transformational leadership as the most representative in terms of employee satisfaction: "identification and accentuation of vision", "providing an appropriate model", "encouraging and accepting team goals", "high levels of performance", "individualized support", "intellectual stimulation".

There are other researchers as well who found a positive and direct relationship between transformational leadership and employee satisfaction due to the influence that transformational leadership has both on the leaders and their disciples and it may turn individual benefits into organizational benefits. Moreover, transformational leadership anticipates the members' emotional attachment, motivates their bahaviors, and even leads to exceptional performance within the team by own advantages, thus exceeding the expected performance.

In 2008, Mayer, Bardes & Piccolo conducted a study that would reveal the influence that servant leadership may have on job satisfaction as a consequence of meeting the employees' needs and perceptions concerning the fairness of organizational systems. Drawing on theories of satisfaction, such as those of Herzberg (1959), Hackman & Oldham (1976), the authors identify three essential needs: "autonomy", "competence", "networking".

Because of the fact that organizational performance is achieved by obtaining the advantages of each member, job satisfaction is also achieved. (Chen-Tsang (Simon) Tsai, Ching-Shu Su, 2011, p. 1918).

It may be concluded from the discussion above that, at the team level, there is a relationship of mutual dependence between individual performance and the level of satisfaction of the team members. The more satisfied a team member is, the more likely is that he will exceed the previously set performance standards and the better he performs, the more professionally satisfied he will be.

Another key element in what employee satisfaction is concerned and cannot be left apart of this analysis is teamwork spirit. This is connected to one of the drives identified in Nitin Nohria et al. motivational model. As prof. Nastase M. was underlining, "it is very important in case of leaders since followers need to feel as belonging to a group, to a team. This need comes from the human nature and also from the social determination of all beings. Team belonging is very important especially because it offers trust, recognition, energy to contribute, force to continue and professional improvement will. People are still every company's most valuable "assets" and they should be cherished accordingly.

True team-players consider their team's goal much more important than the personal goal. This is the main difference between team and group." (Nastase, 2011).

2. The conceptual model of scientific research and research hypotheses

Literature review and identification of the real problems were the basis for addressing research hypotheses and for building the conceptual model, listed below.

1. The leadership style has s a direct, positive and statistically significant effect on the subordinates' motivation.

2. There is a direct, positive and statistically significant relationship between the motivational model and job satisfaction at the individual level.

3. There is a bidirectional and statistically significant relationship between job satisfaction at the individual level, and group performance.

4. There is a direct, positive and statistically significant relationship between the subordinates' satisfaction and 'hard' performance.

5. Job satisfaction at the level of the individual mediates the relationship the subordinates' motivation – 'soft' group performance.
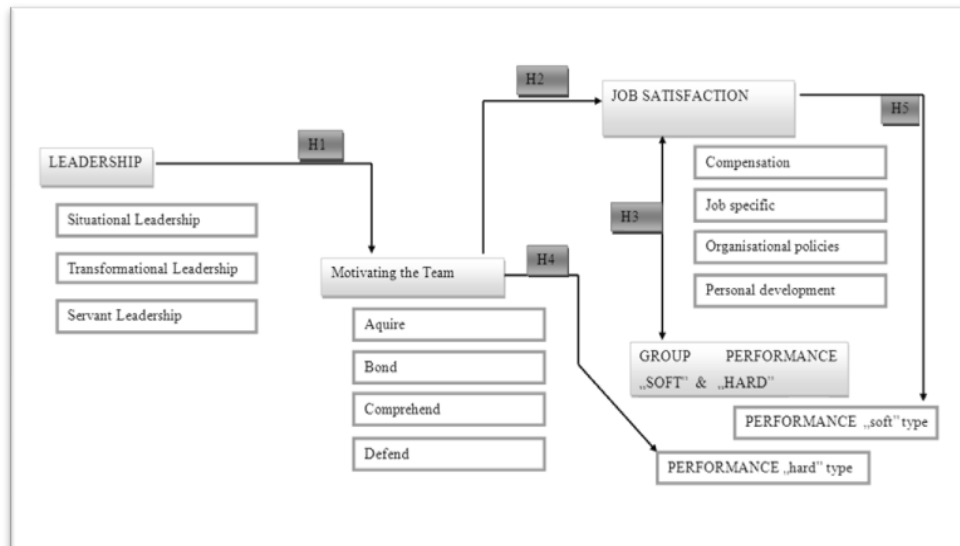
Figure 1 Research methodology model of Leadership style and group performance

3. Methodology

The present study aims at analysing the influence that a leadership style that is appropriate for the organizational cultural environment may have on group performance. The problems surrounding the determination or measurement of levels of performance took into account the specificity of the research and of the variables involved. But this should not be regarded as a drawback of the research, because the research model may suffer various changes so that group performance can be determined by financial or non-financial indicators that may differ from those presented in the present doctoral research. In order for the study to reach an empirical level, the present scientific approach started from the already existing theoretical framework by systematically and critically analysing specialized literature.

Considering the limited access to obtain such empirical material and the large sample that was analyzed, the research method chosen will focus on the quantitative dimension. Another reason behind the choice made is the distinctiveness of the objectives and methods. Qualitative research focuses on in-depth research rather than on an in-width one. It is rather intensive than extensive – the generalization problem. It is not concerned with analyzing a large number of social units, but rather with the intimate processes within a limited number of groups or with the information regarding the intimate structure of the self, of the personality of those being under investigation. (Ambert, A.M. in Chelcea, 2007).

Quantitative research is based on the positivist philosophy. To know in order to foresee and to foresee in order to be able to achieve what you want- is the essence of positivist thinking. As a measuring method, quantitative research calls

for methodological monism, which involves explaining phenomena / events in relation to their causes, and individual causes conform to general laws. In order to have a comprehensive overview, starting from the identification of the research scope - increasing group performance and reducing turnover- theoretical investigations have been conducted, analysing possible factors of influence. Therefore the documentary study helped narrow down the area of analysis to the following main factors: leadership, ways of motivating employees, job satisfaction and group performance. After having defined and clarified the concepts under discussion, the exploratory research supported pursuing the stated objectives and research hypotheses in order to build a conceptual model subject to further analysis using quantitative research and using the sample survey.

4. Results and limitations - pilot study

What was aimed at along the whole scientific approach was the continuity of ideas and the identification of those variables that bear relevant implications on the research issues. When speaking of leadership, at the empirical level, one may not consider a pure style based on only one concept defined theoretically, and especially when considering a larger number of leaders for the analytical approach. For this reason, and adding the characteristics defined theoretically, three similar but with distinguishing characteristics leadership styles have been selected in order to characterize current management styles in multinational companies in Romania.

The preliminary data that were obtained come in support of the theoretical aspects that had already been highlighted, the two similar leadership styles (Servant leadership and transformational leadership), which at the same time tend to complement each other in everyday practice, with very close scores.

Although servant leadership scored little significantly more than transformational leadership (as shown in Figure 2), one of the items defining the concept – the leader sacrificing himself for his disciples – recorded the lowest score.

Hence one may draw the conclusion that either the item needs further explaining because it may not have been fully understood by respondents, or that the preliminary results are not representative in terms of positioning the servant leadership style in a centralizing scale.

A drawback of the research approach is the lack of an analysis of the Romanian cultural environment. Studies such as those of Hofstede, Trompenaars and Globe are seen as losing relevance when applying the instrument within multinational companies in a period of great economic change with a globalization effect that cannot be neglected. Obviously one may not speak anymore about a pure national or organizational culture. The organization's base rests on management's philosophy, values, vision and goals. This in turn drives the organizational culture which is composed of the formal organization, informal organization, and the social environment. The culture determines the type of leadership, communication, and group dynamics within the organization. The

workers perceive this as the quality of work life which directs their degree of motivation. (Nicolescu, Androniceanu & Năstase, 2004 in Androniceanu, 2011)
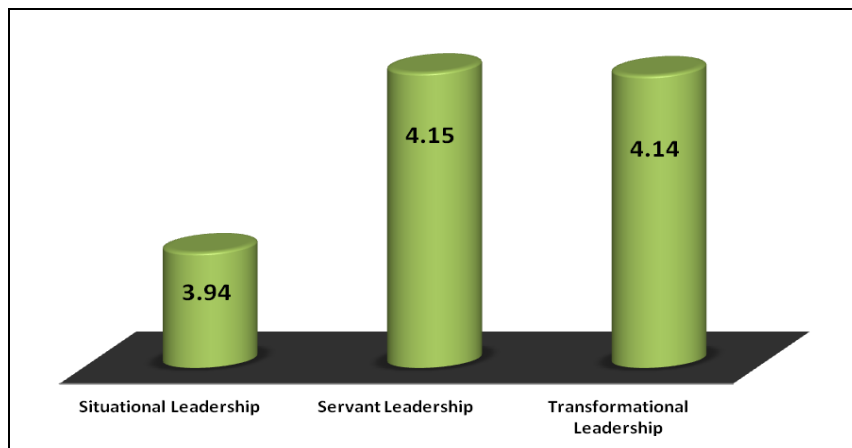
Figure 2 Scores of leadership styles

The second construct of the research model is employee motivation and it was analyzed based on the adaptation of the research model proposed by Nitin Nohria, Boris Groysberg and Linda Lee-eling (described in the earlier chapter of this paper). Basically, the four variables of the model were put into questions and according to the answers and their the statistical interpretation one may notice that the highest percentage was held by "networking" - 80% and the lowest by " To aquire" - 72%. Consequently, one may draw the conclusion that in order to achieve a higher degree of employee motivation, leaders must pay more attention to this stimulus.
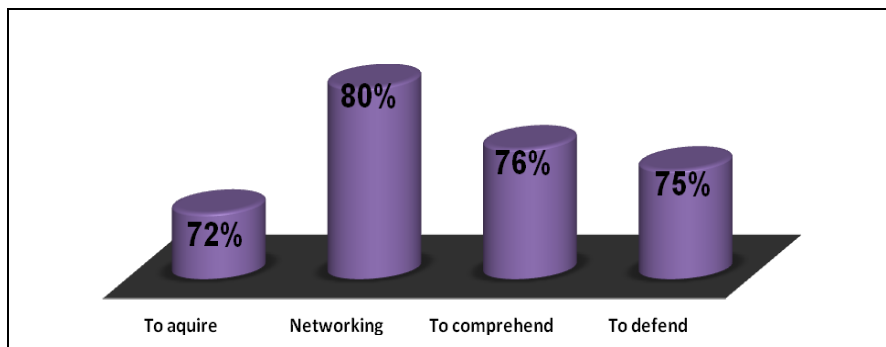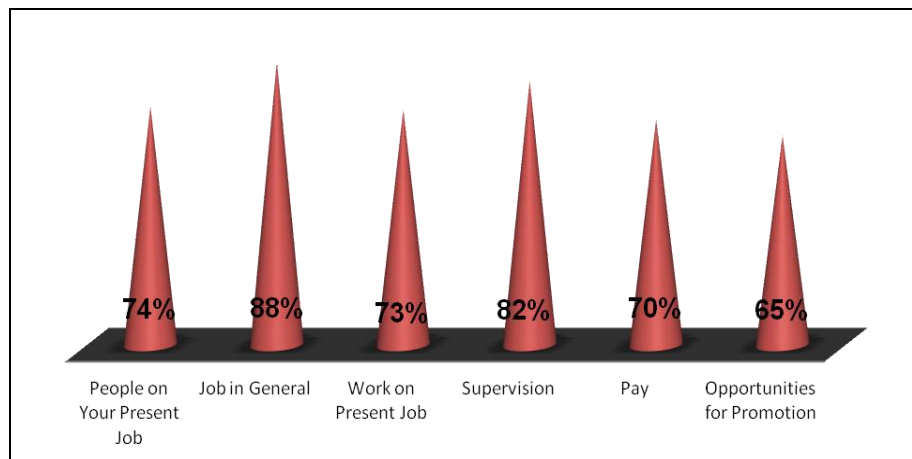

Figure 3 Scores of the four variables of employee motivation construct

Measuring "Job satisfaction" was realized by using the JDI instrument with permission from Bowling Green State University. The 2009 revision of this

instrument was used and includes one additional variable "Job in general" compared to previous variants of the instrument.


Figure 4 Scores of the six variables of job satisfaction construct

Promotion opportunities represent the weak element concerning "job satisfaction". The highest score was held by "the workplace in general" - 88% of the respondents being satisfied with their workplace, the most predominant characteristics is "better than most of the others" and "rewarding". Then come "supervision" or "department leadership, - 82%, "colleagues", who are perceived as "intelligent", "nice", persons, "the nature of work" - 73% and in the last but one place "Pay".

The last element analyzed with the help of the questionnaire is group performance, subjectively identified as the level of cohesion or the intent to leave the group. It highlighted the prevalence of a strong sense of belonging to the group, only 23% of respondents declared themselves neutral in this respect (see Figure 4).

Together with the feeling of belonging to the group as a factor of cohesion, the intent to leave the group was also analyzed. As it can be seen from the charts below, whenever there was a very strong feeling of belonging to the group (31% of respondents), the intent to leave the team is totally absent. 100% of the 31% of respondents with a very strong feeling of belonging to the group also represent a 31% of the sample.

More interesting, as one may notice is the fact that as the intensity of feeling of belonging to the group decreases, the percentage of those willing to leave the team is rising.
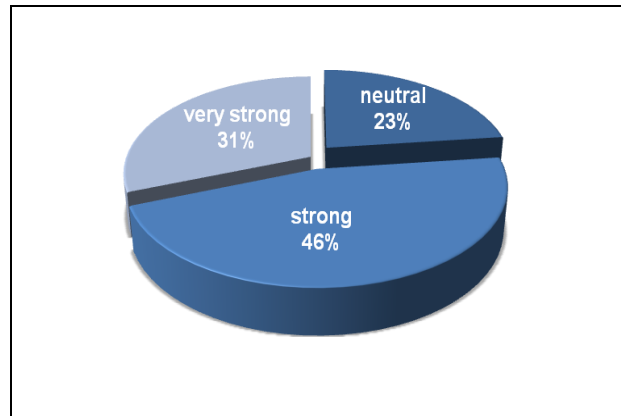
Figure 5 The level of team cohesion

Conclusions

In order for the leadership theory to continue to exist, it must be admitted and accepted that the leadership is a complex process that interacts with behavioral, relational and situational elements. The leadership does not concern only the individual but also resides at the individual, dyadic, group and organizational levels. The leadership is promoted at the top of the hierarchical pyramid of the organization and from the bottom towards the top. The leadership motivates both intrinsically by improving expectations, and extrinsically by improving reward systems. (D. Van Seters, R. Field: The Evolution of Leadership Theory, Emerald Backfiles, 2007).

Motivating employees is an extensively researched topic. If the first studies were based on the mere observation of the human behavior, the evolution of science in the field reveals new facets that are worth of consideration and application. To achieve great performance means that people have strong motivation to participate in the whole process and the environment is supportive of it. People (employees) should feel empowered to do it.

The empowering process of a team is oriented towards achieving a common task in an innovative way. (Bibu, 2007)

Job satisfaction is brought about by the attitude that employees have towards work as such and by the rest of the elements involved in everyday life. There is an obviously close interdependence between the degree of satisfaction and the motivation of the employees, the two having a bidirectional connection between them.

Group / team performance is the expected outcome in any organization, irrespective of specificity of the activity.

The results presented in this paper represent just the preliminary inquires which come in support of the main hypothesis of the research. A more ample study will follow with the objective of validating all of the formulated hypothesis and

offering a model which can be used at organizational level, helping companies overcoming some of the main obstacles in achieving the desired level of performance.

Aknowledgement

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