

EFFECT OF TRANSFORMATIONAL LEADERSHIP ON FOLLOWERS’ COLLECTIVE EFFICACY AND GROUP COHESIVENESS: SOCIAL IDENTITY AS MEDIATOR

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Transformational leaders are the ones who motivate followers to work for transcendental goals and for a higher level of self-actualizing need, instead of working towards their self-interests. The transformational leaders’ behavior affects the followers’ identification with the group/organization; this social identification affects the followers’ orientation towards collective efficacy and group cohesiveness of the group they belong. Social identity is one’s sense of belongingness as a member of social groups. A person’s social identity with her or his group enhances the collective efficacy of the group, owing to the perception of its group members that they can accomplish exceptional feats by working together. Besides, this identity makes a follower to be emotionally attached to her or his group and the group members, thereby enhancing the commitment to the task and the group pride. This paper gives the conceptual framework of transformational leadership’s impact on the followers’ collective efficacy and group cohesiveness, and the mediating effect of the followers’ social identity

Keywords: Transformational leadership, Social identity, Collective efficacy, and group cohesiveness.

Introduction

For organizations to be successful, work groups have become a necessity. Group cohesiveness and collective efficacy are important variables to get better outcomes from the group. Studies have shown that collective efficacy and group cohesiveness enhance group’s performance. Collective efficacy and group cohesiveness can be best enhanced through transformational leadership. Transformational leadership enables followers to transcend their self-interests for the sake of the group. The processes and mechanisms by which transformational leadership can increase followers’ collective efficacy and group cohesiveness are by engaging the follower’s social identity. Studies have shown that transformational leadership enhances the individual’s self-concept derived from perceived membership of a social group (social identity). This changed self-concept, in turn, enhances the perception of group members that they can accomplish exceptional feats by working together (collective efficacy), and emotional attraction among group members (group cohesiveness). Therefore, we propose that social identity will mediate the

relationship between transformational leadership and follower's collective efficacy and group cohesiveness.

In today's business world, organizations incorporate groups as an effective way of doing business. The main reason for going towards groups is synergy, where the sum of collective output of the group is greater than the sum of the individual members' contribution. Group cohesiveness and collective efficacy are important variables to get better outcomes from the group. Collective efficacy increases cooperative behavior and members' commitment in achieving specific task objectives (Bandura, 2000).

Burns conceptualized transformational leader as one who motivates followers to work for transcendental goals and for a higher level of self-actualizing need, instead of working through simple exchange relationships with his/her follower. Transformational leaders induce followers to transcend their self-interests for the good of the collective and its goals by stimulating the followers' higher order needs (Bass, 1985, p. 20). The transcending effect can be achieved by engaging the followers' identification with the group to which they belong. Transformational leadership is likely to result in a wide range of outcomes at personal and group level. According to the self-concept motivation theory, the group level outcomes are mediated by the social identity of the followers. Social identity is that part of an individual followers' self-concept, which derives from their knowledge of membership of a social group (or groups) together with the value and emotional significance, attached to that group membership. Social identification with group empowers the group and increases followers' collective efficacy and group potency belief. Social identity of the followers enhances the group cohesion not only because of the attraction among group members, but also attitudinal and behavioral consensus that leads to depersonalization of the followers. This depersonalization of the followers leads to more cohesive groups.

Transformational Leadership

Leadership has both lower and higher order changes in subordinates. A lower order of change involves leadership as an exchange process, a transactional relationship in which followers' wants can be met if their performance is in line with their leader's expectations. In this form of leadership, the leaders depend on their power to reward subordinates for their successful completion of work. By contrast, a higher order of change is possible through transformational leadership.

James MacGregor Burns (1978) first introduced the concept of transforming leadership in his descriptive research on political leaders, but this term is now used in organizational psychology as well. According to Burns, transforming leadership is a process in which leaders and followers help each other to advance to a higher level of morale and motivation. He established two concepts: "transforming leadership" and "transactional leadership." He conceptualized the transformational leader as one who motivates followers to work for transcendental goals and for a higher-level self-actualizing need, instead of working through simple exchange relationships with his/her follower.

According to Burns, the transforming approach creates significant change in the life of people and organizations. It redesigns perceptions and values, and changes expectations and aspirations of employees. Unlike in the transactional approach, it is not based on a "give and take" relationship, but on the leader's personality, traits, and ability to make a change through example, and articulation of an energizing vision and challenging goals.

Bass (1985) defined a transformational leader as one who motivates followers to do more than they originally expected to do. Transformational leaders induce followers to transcend their self-interests for the good of the collective and its goals, and stimulate and meet the followers' higher order needs (Bass, 1985, p. 20). He noted that transformational leaders motivate their followers to perform beyond expectations by transforming their beliefs and attitudes. They uplift the morale, motivation, and morals of their followers, whereas transactional leaders cater to their followers' immediate self-interests. The transformational leader emphasizes what you can do for your country; the transactional leader, on what your country can do for you. Bass (1985) built the model for transformational leadership around four behavioral components:

Idealized Influence – Provides a role model for high ethical behavior, instills pride, gains respect and trust.

Inspirational Motivation – The degree to which the leader articulates a vision that is appealing and inspiring to followers. Leaders with inspirational motivation challenge followers with high standards, communicate optimism about future goals, and provide meaning for the task on hand.

Intellectual Stimulation – The degree, to which the leader challenges assumptions, takes risks and solicits followers' ideas. Leaders with this style stimulate and encourage creativity in their followers. They nurture and develop people who think independently. For such a leader, learning is a value and sees opportunities to learn from unexpected situations. The followers ask questions, think deeply about things, and figure out better ways to execute their tasks.

Individualized Consideration – The degree to which the leader attends to each follower's needs, acts as a mentor or coach to the follower and listens to the follower's concerns and needs. The leader gives empathy and support, keeps communication open, and places challenges before the followers. This also encompasses the need for respect and celebrates the individual contribution that each follower can make to the team. The followers have a will and aspirations for self-development and have intrinsic motivation for their tasks.

Social Identity

Self-concept is an individuals' collection of beliefs about themselves. The self can be categorized in two distinct ways – personal level and social identity level. Personal identity is the primary belief of the self as a unique individual who is different from other individuals on basis of traits, beliefs, and skills. Social identity is the part of an individual's self-concept derived from one's membership in the social groups they belong to, and because of the value and the emotional significance attached to that group membership.

In 1979 Tajfel and Turner proposed social identity theory. They attempted to identify the minimal conditions that would lead members of a group to distinguish between the in-group which they favor as against the out-group. They analyzed the group process and intergroup relations. According to this theory, self-esteem and self-concept of the members of the group are influenced by the group, in particular when the individuals categorize themselves as a group member and identify strongly with the group.

The central theorem of social identity theory is that people strive for a positive social identity. Tajfel (1978) argued that, the favoring of the in-group by its group member can be achieved by establishing a positively valued difference of the person's own group(s) from relevant comparison groups. Individuals who identify themselves with the group do not only think they are member of the group but they experience a strong sense of belonging to their group and take pride of being in the group. Identification reinforces the group membership and it widens the gap between individuals and outgroups. Actually, the social identification blurs the boundary between the individual and the group.

Three important variables make the member of the group to be identified strongly with the in-group and show in-group favoritism:

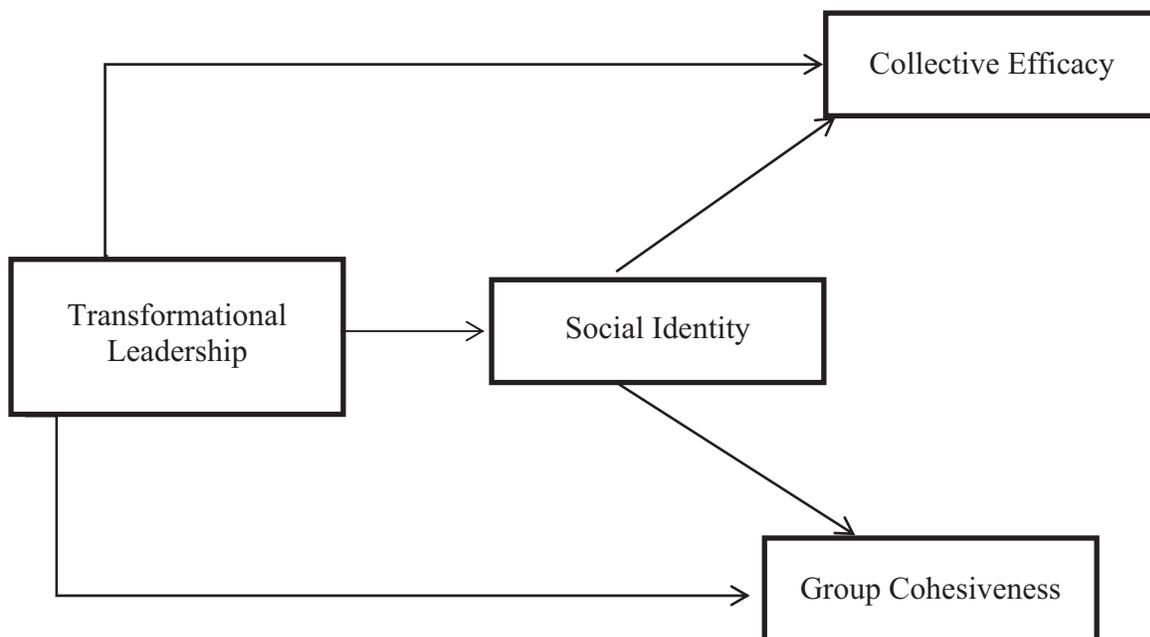
- (a) The extent to which individuals identify with an in-group and internalize that group membership as an aspect of their self-concept;
- (b) The extent to which the prevailing context provides ground for comparison between groups;
- (c) The perceived relevance of the comparison out-group, which itself will be shaped by the relative and absolute status of the in-group (Turner, Brown, & Tajfel, 1979)

The in-group favoritism itself is the result of the changed self-concept of an individual. The group influences the member of the group to such an extent that the members in the group show favoritism towards in-group by merely assigning the member to a particular group (Billig & Tajfel, 1973). Individuals form and reinforce their social identity through two key processes – Self-categorization and

Social comparison. Individuals are likely to display favoritism when an in-group is significant to their self-definition and in a given comparison is meaningful or the outcome is favorable.

Social identity theories of effective leadership describe the processes by which leaders help to define the identity of a group or organization and the meaning of membership (Hogg, 2001). Individuals experience groups' successes and failures as their personal successes and failures because when individuals identify themselves with a group, they base their self-esteem and self-concept on their belonging to the group (Ashforth & Mael, 1989).

Ashforth and Mael (1989) were among the first to suggest that transformational leadership might influence followers' social identification. Leaders could increase collective identification by helping to create a unique identity and a favorable reputation for the group/team. The transformational leaders' behavior transforms the self-concept of their followers. Their behaviors make the followers to identify personally with the leader and socially with the work unit by which the mission and the goals of the leader and the organizations are attained. This change in self-concept among the followers due to the leaders' behavior enhances the involvement, cohesiveness, commitment, potency, and performance of the followers (B. Shamir, House, & Arthur, 1993). Collective identification by members with a team or small group has potential benefits such as greater cohesiveness and cooperation and lower turnover (Walumbwa, Wang, Lawler, & Shi, 2004).



Transformational Leadership and Social Identity

According to the self-concept based motivation theory, the spirit of the charismatic relationship is the strong relation between the leaders' behavior and followers' self-concept that leads to the followers' collective identification with their work unit. By touching the self-concept of the followers, the followers not only identify themselves with the leader but also with the work unit, thereby contributing to the collective mission (B. Shamir et al., 1993).

The identification processes play an important role in the influencing dynamics of leadership. The transformational leadership can bring in dual effect; the different forms of identification created by the leaders' behavior will lead to different outcomes. The dependency of the followers is due to the followers' personal identification with the leader whereas the empowerment of the followers is due to the follower's social identification with the work unit. These identifications are due to the transformational behavior of the leader and in turn led to different outcomes (Kark, Shamir, & Chen, 2003).

The transformational leadership behaviors include four components: inspirational motivation, idealized influence, individualized consideration, and intellectual stimulation. Followers need to have a strong sense of purpose if they are to be motivated to act. Purpose provides the energy that drives a group forward. The visionary aspect of leadership is supported by communication skills that make the vision understandable, precise, powerful, and engaging. Thus, followers invest more effort in their tasks; they feel encouraged and optimistic about the future and believe in their abilities.

Transformational leaders' behavior increases the attractiveness of the group and fosters social identification with it to empower the group (Boas Shamir, Zakay, Breinin, & Popper, 1998) (Kark et al., 2003). Transformational leadership increases the sense of self-worth and self-esteem by enhancing the followers' identification with the work unit. Transformational behavior can arouse the social identification by emphasizing the collective aspects of the self-concept. Thus, when the leaders' behavior focuses on the group entity, linking the individuals' self-concept to the shared values and key roles of the group, this will prime the collective aspect of the followers' self-concept. This further enhances individuals' perception of belonging to and unity with the work unit. A leader may enhance the collective identity in followers' self-concept by emphasizing common ground, stressing shared values and ideology, connecting followers' personal goals and aims with the groups' interests, and interpreting present and past experiences of followers in terms of group values (B. Shamir et al., 1993). Further, emphasizing the groups' shared goal and mission and emphasizing the uniqueness of the group comparing to the out group enhances the social identity (Boas Shamir et al., 1998).

Collective identification with the organization can provide benefits in terms of increased organizational commitment and loyalty, reduced turnover, and higher performance. Successful constructions of social identity are likely to be linked to a vision and strategy for achieving objectives that would make membership worthwhile. Social identification is strengthened by recognizing progress in achieving the shared vision. Leaders seek to interpret events in terms of social identities related to past experiences and shared values of followers (Ellemers, Gilder, & Haslam, 2004). Social identification is strengthened by recognizing progress in achieving the shared vision.

Proposition 1: Transformational behavior of the leader positively affects the followers' social identification with the group

Collective Efficacy

Albert Bandura's contribution to social psychology is the social cognitive theory. The concept of Self-efficacy and collective efficacy were derived from the social cognitive theory which focuses on the belief of human agency. According to social cognitive theory, behavior of an individual is guided by the individual's perceptions of their ability to act. Self-efficacy is the perception of individuals about their capability to perform a behavior (e.g., to stop smoking).

Collective efficacy builds on the concept of self-efficacy. It refers to a group's shared belief in its capability to organize and execute actions required to achieve goals. An extension of Bandura's notion of self-efficacy, collective efficacy is "a group's shared belief in its capabilities to organize and execute courses of action required to produce given levels of attainment" (Bandura, 1998). This shared belief is a result of few questions like what a group tries to achieve, how much effort is exerted and how much the group outcome is valued. The strength of families, communities, organizations, social institutions, or nations lies fairly in its members' sense of collective efficacy that they can solve the problems they face and improve their lives through their unified effort.

A topic that receives attention in the groups literature is collective efficacy, much like self-efficacy; it is seen as a central component of various aspects of motivation. Collective efficacy can both be a cause and an effect of collective identification, as the members are more likely to identify with a work unit that they perceive to be efficacious and identification with a group is often associated with the attribution of positive qualities of the group (Henri Tajfel, 1982). Commitment of the members of a team depends on

the shared belief of the members that the team is capable of carrying out its mission and achieve specific tasks successfully (Bandura, 2001)

Transformational Leadership, Social Identity and Collective Efficacy

Brewer and Gardner 1996 used group norm as the yardstick for measuring individual self-worth in relation to other out-group members. The transformational leader keeps the followers motivated by increasing the followers' self-efficacy and facilitating followers' identification with the group. The transformational leader can increase the activation of the collective identify among her or his followers by stressing the uniqueness of the group, highlighting the similarities among the group members, shaping the background of the work and linking it with the followers' values and ideologies to the mission of the group (Kark & Shamir, 2002) (Boas Shamir et al., 1998). The followers' confidence raises and their needs expand in line with the groups' collective mission due to the leaders' transformational behavior (Kahai, Sosik, & Avolio, 1997).

There is numerous evidence that transformational leadership is an influential form of leadership that is associated with high levels of individual and organizational performance (eg (Jung & Sosik, 2002) (Kark et al., 2003) (Pillai, Williams, Pillai, & Williams, 2004)). The transformational leadership enhances the group members' empowerment, cohesiveness, perceived effectiveness, commitment towards work and performance (Jung & Sosik, 2002) (Pillai et al., 2004).

Followers' collective orientation and identification with the group is often associated with the attribution of positive qualities to the group (Henri Tajfel, 1982). By means of increasing the group's attractiveness/ uniqueness the leader enhances the followers' social identification which in turn empowers the group and increases followers' collective efficacy (Kark et al., 2003)

Social identification can result in followers' willingness to contribute to the groups' welfare and take the form of organizational citizenship behaviors, group cohesiveness, and the group's sense of potency (Kark & Shamir, 2002) (Boas Shamir et al., 1998). Collective identification by members with a team or small group has potential benefits such as greater cohesiveness and cooperation and lower turnover (Walumbwa et al., 2004). There is evidence that the transformational behavior of the leader enhances the collective efficacy belief of the followers (Jung & Sosik, 2002) (Walumbwa et al., 2004) (Kark et al., 2003).

Proposition 2: The relationship between transformational behaviors of the leader and followers' collective efficacy is mediated by social identity of the follower.

Group Cohesiveness

Group cohesiveness generally describes emotional attraction among group members, although other types or dimensions of cohesiveness, such as commitment to the task or group pride, have also been identified (Mullen & Copper, 1994). In general, studies have shown that cohesive groups are better able to show uniformity in behavior and conformity to group norms (Hogg, 1992). In addition, literature suggests that there is a positive relationship between cohesiveness and group performance (Mullen & Copper, 1994), although this relationship is small in magnitude.

Hogg and his associates have redefined group cohesiveness from a social identity perspective (Hogg, 1992). Earlier approaches to cohesiveness focused on the interpersonal attraction among the group member, whereas the social identity approach distinguished between attraction and attraction to the group.

The social identity analysis of categorization processes suggests that group cohesion or solidarity is not only attraction among group members, but also attitudinal and behavioral consensus, ethnocentrism, in-group favoritism and intergroup differentiation, and so forth – the entire range of effects of

categorization-based depersonalization. Self-categorization and depersonalization are the processes of group formation and group solidarity; cohesiveness is a consequence

Transformational Leadership, Social identity and Group Cohesiveness

Collective orientation and social identification of the followers towards the their group is considered as positive qualities to the group (Henri Tajfel, 1982). Hence, transformational behaviors of a leader that increase the attractiveness of the group which in turn enhance the social identification are likely to empower the group and increase followers' collective efficacy beliefs and their sense of group potency (Boas Shamir et al., 1998).

When transformational leaders behave in ways that arouse followers' sense of collective-self and increase their social identification, the followers will transcend their self-interest for the sake of the collective i.e the work unit or organization. The transformational behavior of the leader makes the followers rise to the level of sacrificing their interest and working towards the larger goal. The followers sacrifice their personal interest by falling in line with the mission and vision articulated by the leader, show emotional attachment with the leader, internalize the leaders' values and goals and demonstrate strong personal commitment to the values or goals (Boas Shamir, 1991) (B. Shamir et al., 1993). Therefore, organizational leaders who can raise followers' identification with the group are likely to increase followers' commitment and willingness to contribute to group objectives. This commitment and willingness to contribute to group objectives can be expressed by followers' exhibition of organizational citizenship behaviors. Additionally, identification with an in-group can elicit a cooperative orientation toward shared problems and result in cooperative behavior, even in the absence of interpersonal communication among group members (Brewer & Gardner, 1996).

Social identification can result in followers' willingness to contribute to the groups' welfare and take the form of organizational citizenship behaviors, group cohesiveness, and the group's sense of potency (Kark, R., & Shamir, B. 2002). The transformational leadership enhances the commitment, performance and group cohesiveness of the followers (Jung & Sosik, 2002) (Pillai et al., 2004)

Proposition 3: The relationship between transformational behavior of the leader and the followers' orientation towards the group cohesiveness is mediated by the social identity of the follower.

Transformational Leadership, Collective Efficacy and Group Cohesiveness

Social identification can result in followers' willingness to contribute to the groups' welfare and take the form of organizational citizenship behaviors, group cohesiveness, and the group's sense of potency (Kark, R., & Shamir, B. 2002). The transformational leadership enhances the commitment, performance and group cohesiveness of the followers (Jung & Sosik, 2002) (Pillai et al., 2004).

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Proposition 4a: Transformational leadership positively affects the followers' collective efficacy towards their group.

Proposition 4b: Transformational leadership positively affects the followers' group cohesiveness.

Conclusions

In this paper, transformational leadership is shown as a strong form of influence on the followers. It suggests that leaders can affect followers by addressing the self-concept of the followers and then

elevating their focus from their personal self-concept to depersonalization. The leader's behavior inspires the followers' social identification, which is directed towards the entire group. This raises the prominence of the collective aspect of the followers' and reduces the differences among the followers in-group. Therefore, these behaviors are likely to operate at the group level and enhance the collective efficacy and group cohesiveness. Thus, though transformational behavior of the leader enhances the collective efficacy and group cohesiveness of the followers, the impact is more effective when it is mediated through social identity of the followers. The implication is that the leaders in the organization can bring in the intergroup competition this will bring better understanding within the group. The leader has to stress more on the uniqueness of the group and reinforce the shared goals or threat. Leaders have to emphasize the differences between their group and other groups. By articulating the vision and mission, bringing in more verbal, symbolic behavior, usage of slogan and nicknames that are special for the group, leaders can enhance the relationship among the group members and remind the shared vision and mission now and then. These implications will affect the self-concept of the followers that will blur the line between the personal and social identity; that will lead the followers to transcend from their personal interest in favour of collective goal.

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