

Proceedings of the annual conference of the
Administrative Sciences Association of Canada,
Banff (Alberta), June 2006.

TRANSFORMATIONAL LEADERSHIP AND ALTRUISM: ROLE OF POWER DISTANCE IN A HIGH POWER DISTANCE CULTURE

Ankush Punj and Venkat R. Krishnan

Using a sample of 105 manager-subordinate dyads from a high power distance culture, the effects of power distance and transformational leadership on follower altruism were studied. Findings show a significant positive relationship between power distance and transformational leadership and between transformational leadership and follower altruism.

The dimensions on which cultures differ have been identified earlier (Hofstede, 1980). The objective of this study is to look at the effect of a dimension on other variables, in a culture that is high on that dimension. Our contention is that in cultures that score high on the power distance dimension of Hofstede (1980) model, if managers maintain a high power distance between themselves and their followers, their transformational leadership would be enhanced, and transformational leadership in turn will enhance altruistic behavior of followers. Merely knowing the dimensions on which cultures differ is not enough. That knowledge has to be used to predict how an alignment with that dimension would affect other variables.

Altruism is an essential tenet for societies to flourish and presupposes ethical behavior amongst the citizens of a society. Altruism is also an essential dimension of organization citizenship behavior (OCB), which enhances organizational performance (Podsakoff & MacKenzie 1994; Podsakoff, Ahearne & MacKenzie, 1997). Employees who help each other would not have to go to supervisors for help, leaving the supervisors free to do things that are more important. OCB would also help coordinate activities among team members and across groups (Podsakoff et al., 1997). The importance of altruistic behavior in organizations cannot be overestimated and the onus of it lies entirely on the prevailing leadership.

The relationship between transformational leadership and altruism stems from the wide acknowledgement that transformational leaders help followers to transcend their own self-interest for the sake of the mission and vision of their group or organization (Gardner & Avolio, 1998; Shamir, House, & Arthur, 1993). Transformational leaders also motivate their followers to indulge in extra-role behavior (Yammarino & Bass, 1990; Bass, 1998; Ardichvili & Gasparishvili, 2001). A factor (power distance) that affects those variables has been explored in this paper. The contribution of power distance (PD) in enhancing transformational leadership in high power distance cultures has found some substantiation in the literature. Due to cultural variations between the western and the eastern world, the impact of the leader in generating altruistic behavior amongst the followers would be affected by these cultural values of the society, and thus what would work for one culture may or may not work for another culture. In high power distance culture, subordinates may perceive a low power distance manager as a weak and inefficient leader. The study uses India as the base for survey, though the findings could be generalized for all high power distance cultures.

Theory and Hypotheses

The desire to understand the nature of altruism has occupied evolutionary thinkers since Charles Darwin, who was fascinated by the apparent existence of altruism among social insects. In ant and bee colonies, sterile female workers labor ceaselessly for their queen and will even die for her when the nest is threatened. The extent to which employees engage in organizational citizenship behavior is just as important as their productivity in advancing their careers.

Altruistic Behavior in Individuals

Altruistic behavior is any behavior that benefits another individual while being apparently detrimental to the individual performing the behavior (Trivers, 1971). However, Forsyth's (1999) contention on altruism in groups is that mutual assistance offers benefits to both the giving party and the receiving party, as groups' members draw on their own experiences to offer insights and advice to one another. The helper, according to Crouch, Bloch, and Wanlass (1994, p.285), also "feels a sense of being needed and helpful; can forget self in favor of another group member; and recognizes the desire to do something for another group member." Trivers (1971) further developed this viewpoint of mutual benefit in his model in which cooperative behavior is the result of the evolutionary development of reciprocal altruism. He believed that if all members of a group or clan reciprocated altruistic behavior, it would enhance the odds of the survival of the genes and the individuals too.

Relating morality with altruism, many moralists termed a moral act as one that is motivated by altruistic tendencies and a total absence of self-interest (Rogers, 1997; Holmes, 1990; Bowie, 1991). However there are also those who believe that it is not that there is no room for duties towards self in altruism but that a moral act should serve the interests of the society as a whole (Rogers, 1997). A large number of studies have also observed a close association between principled moral reasoning and altruistic behaviors (Blasi, 1980; Underwood and Moore, 1982; Thoma and Rest, 1986; Rest and Narvaez, 1994). Principled moral reasoning is that stage of social cooperation where personal self-interest is lowest and commitment to universal principles and values is highest (Blasi, 1980). It is also positively related to the OCB dimension of interpersonal helping (Ryan, 2001).

Ryan (2001) viewed Kohlberg's stage theory of altruism as levels of social cooperation, and drew the assumption that there may be an association between individuals' level of justice reasoning and their motivation to willingly cooperate in extra-role OCB. A greater need for participation in organizations is felt where one can develop a sense of belonging and purpose (Bendek, 2002)

Turner (2001) referred to altruism as an individual predisposition for moral behavior, both driving and enabling cooperative and helping behaviors between individuals. Researchers like Preston (1989) and Emanuele and Simmons (2002) studied altruism with respect to non-profit organizations claiming that it is altruism on the part of the workers to donate their services at lower wages in such establishments. However, this claim was refuted by Leete (1994).

In order to measure altruism Rushton, Chrisjohn, and Fekken (1981) developed a 20-item self-report scale for altruism. The developers provided evidence of predictive and convergent validity for the scale.

In the very debate of existence of altruism; at one end of the continuum lie Adam Smith, Frederick Hayek, Milton Friedman and Frederick Thatcher who believed that mankind is basically motivated by self-interest and impulse to survive. They were the supporters of "the survival of fittest philosophy." On the other hand are the beliefs of Jean-Jacques Rousseau. He emphasized on human's altruism in terms of parental concern for kids. He believed man cares for others out of pure goodwill and that there are untapped instincts for cooperation in all of us and the world would be a better place, if we recognized that fact. Biology and anthropology too provide convincing evidence that the survival of any group ultimately depends on the cooperation and even sacrifice of its members. However, altruism and cooperation is not blind. We go against our self-interest only when something bigger than us is at stake. In the same regard, Clarke and Sefton (2001) found that altruism decreases with repetition, and it falls as the material cost rises.

In organizational context, altruism can be studied either as the ethical acts of organizations in terms of generating profits but with an altruistic desire to be ethical (Wood, 2002) or in terms of altruism on the part of the employees towards each other which gets translated into a policy of autonomous teams, trust, and empowerment (Handy, 1997). The notion of giving something extra back to an organization fits well with research on extra role behavior, more specifically, organizational citizenship behavior (Organ & Konovsky, 1989). Dennis Organ (1988, p.4) provided a generally used definition for OCB: "OCB represents individual behavior that is discretionary, not directly or explicitly recognized by the formal reward system, and that in the aggregate promotes the effective functioning of the organization". The metaphor of "citizenship" in the concept of OCB comes really close to the concept of altruism as it suggests an employee-employer relationship that transcends the economic contract and may result in employee contributions over and above formal job expectations (i.e. extra-role job performance) (Ryan, 2001). The contributions of the employee, which reflect the OCB, are neither required nor contractually rewarded (Farh et al, 1990). Having studied this concept with transformational leadership, Yammarino and Bass (1990) demonstrated that both transformational leadership and extra role behavior are very closely related.

Altruism, sportsmanship, conscientiousness, courtesy, and civic virtue are the dimensions of OCB. Altruism refers to discretionary behaviors that have the effect of helping a specific other person with an organizationally relevant task or preventing work related problems with others (Podsakoff, MacKenzie, & Hui, 1993). Smith, Organ, and Near (1983) broke the OCB measure into an "altruism" factor (helping another specific person) and a "compliance" factor (referring to a more impersonal form of conscientiousness vis-à-vis the larger system.) Farh (1990) suggested that participative leader behavior is a relatively important aspect of leader fairness influencing OCB in the form of altruism.

Smith et al. (1983) studied the relationship between job satisfaction and altruism, and the correlation was found to be just 0.31. In addition, the concept of overall fairness in organizations is very closely related to OCB (Konovsky & Folger, 1991; Tansky, 1993). Tansky (1993) found no significant relationship existing between organizational commitment and the five dimensions of OCB (including altruistic behavior or helping). However, Alotaibis (2001) has indicated significant relationship of OCB with commitment.

Paul (1998) while studying humanitarianism, a concept very similar to that of altruism, concluded that after spending ample amount of time, people finally start realizing that others are very much like them. In the group context, Wills and De Paulo (1991) contended that people prefer taking help from those who are similar to them than from the group leader, which leads to mutual assistance. This teaches the group members social skills that are essential to psychological well-being (Ferencik, 1992). Clarke and Sefton (2001) termed altruism as a reciprocal process dependent on the first mover's choice. Putting altruism in the organizational context, the prosocial, and sometimes altruistic, behaviors that serve to maintain and stabilize organizations may be the organizational manifestation of reciprocal altruism, which is theorized by evolutionary psychologists to be the basis for cooperation and evolutionary success of our species (Hamilton, 1964; Trivers, 1971; Cosmides, 1989). In Schulman's (2002) report, the players in the prisoner's dilemma expressed a feeling of trust and camaraderie towards their partners and it was established that cooperation and altruism stimulates the humans.

Jung and Avolio (1999) summarized the findings of a large number of cross cultural studies in altruism stating that collectivists are more attached to their organizations and tend to subordinate their individual goals to group goals. A stellar performer who is self centered may reach the top but still the companies with nice helpful people deliver better on their bottom lines (Troiano, 1998). Lieberman (1993) upheld the concept of altruism particularly in self-help groups. The cause for the same could be that the collectivists accept leadership more readily, because of high power distance that exists in those countries. The concept of moral relations from the Upanishads as referred to by Radhakrishnan (1999) is based on the underlying concept of oneness or essentially the godliness of self as well as the others, which leads to altruistic tendencies towards others as a moral obligation on the self.

There exists a close relationship between altruism and transformational leadership. This stems from the wide acknowledgement that transformational leaders help followers to transcend their own

self-interest for the sake of the mission and vision of their group or organization (Gardner & Avolio, 1998; Shamir, House, & Arthur, 1993).

Transformational Leadership

Transformational leadership “occurs when one or more persons engage with others in such a way that leaders and followers raise one another to higher levels of motivation and morality” (Burns, 1978, p.20). Bass (1998) defined a transformational leader as one who can move followers to exceed expected performance (i.e. indulge in extra role behavior). Since the late 1980s, most leadership research has concentrated on transformational leadership and its difference from the transactional type of leadership (Bass, 1985; Avolio et al., 1995). Transformational leadership theory helps us understand how a leader influences followers to make self-sacrifices, commit to difficult objectives, and achieve more than was initially expected (Ardichvili & Gasparishvili, 2001). According to Bass (1985), transformational leaders motivate their followers by inspiring them, offering challenges, and encouraging individual development. Superior performance and performance beyond normal expectations is possible only by transforming follower’s values, attitudes and motives from a lower to a higher plane of arousal and maturity.

Bass stated that "charisma is a necessary ingredient of transformational leadership, but by itself it is not sufficient to account for the transformational process" (1985, p. 31). Transformational leadership has to be value-centered. Burns (1978) asserted that authentic transformational leadership must rest on a moral foundation of legitimate values. Bass (1985, pp. 182-185) too highlighted the importance of the values held by a transformational leader in determining his or her actions. Conger and Kanungo (1998) believed that leader’s goals being self-serving rather than altruistic and social could help discriminate a negative charismatic leader from a positive charismatic leader. Fairholm (1996) while listing out the elements of moral spiritual leadership rejected the self-interest values like independence and justice. He further observed that these elements are characteristics of transformational leaders as well. Bass and Steidlmeier (1999) extolled the values of a transformational leader by stating that it is these, which set a transformational leader apart. Leader and followers share visions and values, mutual trust and respect and unity in diversity (Fairholm, 1991).

The moral values of a transformational leader are highly culturally relative (Bass, 1999). Bass and Steidlmeier (1999) stated that study of values should also include ethics, as ethical content focuses on values, which highlight the issue of standards and criteria of ethical behavior. They suggested that ethics of leadership rest on the moral character of the leader, the ethical legitimacy of the value embedded in the leader's vision, articulation and program, and the morality of the process of social and ethical choice and action that leaders and followers engage in and follow.

Banerji and Krishnan (2000) conducted a study and related transformational leadership with five ethical issues—bribery, endangering the physical environment, lying, personal gain, and favoritism—and found that transformational leadership was negatively related to preference for unethical behaviors. Keeley (1995) related ethics and transformational leadership and concluded that transformational leaders can be very effective ethical leaders. Burns (1978) stated that the transformational leader is more concerned with end values such as liberty, justice, and equality than with means values.

Great world leaders like Martin Luther King Jr, Mahatma Gandhi, and Mother Teresa had begun defining attributes of leadership as being based in values (Goeglein & Hall, 2001). In particular, Gandhi's concepts of service as the purpose of leadership; moral principles as the basis of goals, decisions, and strategies; and employing a single standard of conduct in both public and private life, formed the foundation of values-based leadership.

Out of the four components of transformational leadership (idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration), the component of idealized influence is characterized by high moral and ethical standards (Bass, 1985). Bass and Steidlmeier (1999) further elaborated the concept of idealized influence by the fact that an authentic leader calls for universal goodwill. Bass (1956) listed the following moral beliefs of a leader: Being humble, being virtuous, obeying the dictates of one’s conscience, maintaining old friendships, being loyal, generous

and forgiving, helping others, conforming to custom, and maintaining good faith. To bring about change, authentic transformational leadership fosters the modal values of honesty, loyalty, and fairness as well as the end values of justice, equality and human rights (Bass & Steidlmeier, 1999).

Support for the cultural effects on transformational leadership was found by Bass (1995, 1997) and House (1998) who unearthed evidence that some variance in leaders is universal and some is contingent on culture of country. Further supporting evidence is provided by Kanungo and Medonca (1996) who contended that values like benevolence is in many ways a universal value while values like friendship and reciprocity may differ as per different cultures.

Adding a new dimension to this value debate, Carey (1995) argued that transformational leadership could at one end be promoting the end values of justice, equality, and human rights, as well as endorsing the modal values of honesty, loyalty, and fairness as its basis for influencing change. At the other end, it can also be subverted to endorse perverse end values such as racial superiority, submission, and Social Darwinism. Bass (1985) solved this dilemma with the introduction of the concept of pseudo-transformational leaders and used values as one of the methods of differentiating it from an authentic transformational leader. Differentiating the two terms, Bass (1997) held that a true transformational leader elevates followers' needs for achievement and self-actualization, when they foster in followers higher moral maturity, and when they move followers to go beyond their self-interests for the good of their group, organization, or society. Pseudo-transformational leaders may also motivate and transform their followers but in doing so, they arouse support for special interests at the expense of others rather than what is good for the collectivity. They will foster psychodynamic identification, projection, fantasy, and rationalization as substitutes for achievement and actualization. Also, transformational leaders would value altruism, harmony and cooperation in themselves and their followers while pseudo-transformational leaders are more likely to foment envy, hate, greed, and conflict.

Burns' (1978) stand remained that without morally uplifting the followers, leadership cannot be transforming. In fact, the greatest test of the authenticity of transformational leaders is in the share that the leaders take for themselves as against the followers in any win-win situation (Bass, 1999). In addition, the authentic transformational leaders may be directive rather than participative as they attempt to align individual and organizational interests. But what has certainly been ignored in this debate is that transformational leaders don't aim at sacrificing the individuals' interests for the sake of the organization but managing the worth of the organization such that it satisfies all its stakeholders, which also means balancing of the interests of the employees and the employer (Bass, 1997). Bass (1998a) talks of transformational leaders as those who foster in the followers' higher moral maturity. In addition, they motivate followers to go beyond their self-interests for the good of the group, organization, or society (altruistic behavior).

Hypothesis 1. Transformational leadership is positively related to follower's altruism.

The charismatic leaders' self-transformation, which triggers the transformational influence process, is more than the satisfaction of the leaders' need for achievement. Spiritual self-identity is what characterizes the inner psychological worldview of charismatic leaders. Their identification and commitment to idealized values, their efforts to develop finer and subtler qualities in themselves, their own inner self-transformation, and their missionary zeal to bring about similar transformations in others are all reflections of their spiritual self-identity (Kanungo & Mendonca, 1996, p. 59).

According to Jung, Bass, and Sosik (1995), transformational leadership should be more effective in collectivist cultures than in individualist cultures. It would be enhanced by the respect for authority and obedience that characterize collectivist cultures. Hofstede (1980) too brushed against the topic of effective leadership in high power distance cultures in terms of the paradox in such cultures. The paradox in which on one side is an ideological push towards model of participation (like work committees, etc) and on the other a resistance against de facto participation. His contention is that it would be difficult to realize this contradictory demand of the followers who would on one side want the ideological ideals of participation and on other side powerful leaders to maintain large power distances towards them. The effectiveness of a manager in a high power distance culture will depend

on the power distance maintained by the manager. Hence, the extent of transformational leadership would be enhanced or mitigated by the leader's power distance.

Power Distance

“Values” as defined by Scott (1956) and Kluckhohn (1951) are a conception, explicit or implicit, of the desirable, which influence the selection from available modes, means, and action. Rokeach (1968) built on this idea defining values, as abstract ideals, positive or negative, not tied to any specific object or situation, representing a person's beliefs about modes of conduct and ideal terminal goals. They would include all pleasures, likes, preferences, duties, wants, moral obligations, desires, wants, goals, needs, aversions and attractions, and many other kind of selective operations (Williams, 1968). Values thus are global beliefs that “transcendentally guide action and judgment across specific objects and situations” (Rokeach, 1968). Lord and Brown (2001) termed values as normative standards, a basis for generating behaviors that conform to the needs of groups or larger social units. Indeed socialization to a set of values ensures that individuals exhibit behaviors compatible with group needs. A leader's value could lead to follower's altruistic behavior, if the values of leader are in accordance with it.

Williams (1971) stated that there exists a nearly universal set of values, difference being only in their patterning across societies. This patterning is referred to as the core values of a society. Cultural values reflect the basic issues or problems that societies must address in order to regulate human behavior. Hofstede (1980) provided a model of cultural values. The dimensions developed and empirically examined by Hofstede (1980, 1991,1997) represent work done over 6 year period beginning 1967, on values across various cultures consisting of 116,000 subjects from 66 nations, making it the most exhaustive study on cultural values ever. These values then were classified into the initial four cultural dimensions, which Hofstede used to generalize about national culture. Hofstede acknowledged that every person in a nation does not necessarily have all of the characteristics assigned to that culture, and subsequent studies have developed scales to explore how individuals within different nations relate to Hofstede's dimensions (Dorfman & Howell 1988; Vitell, Nwachukwu, & Barnes, 1993).

Hofstede (1980) identified the value orientation of individuals in a culture based on four dimensions: Power distance, uncertainty avoidance, individualism-collectivism, and masculinity-femininity. The fifth dimension of long-term orientation was introduced later. Power distance was defined as the extent to which there is an acceptance of unequal distribution of power within a culture. People that possess large power distance values may be accepting of individual differences in power, and may believe that there is legitimate order of inequality in the world in which everybody has a predetermined place. People scoring low on power distance are unperceptive and perhaps unaccepting of inequality, believing that power should be distributed evenly. High power distance cultures are marked with more distant, hierarchically ordered, and reserved relationships. High power distance scores indicate a preference for paternalistic management.

Hofstede (1984) showed that power distance accepted by both the superior as well as the subordinate and as supported by the social environment is largely determined by the national culture. Going by Singh's (1990) study, the Indians scores low on all the four cultural dimensions, however Hofstede (1980) and Daftuar's (1982) studies discovered India to be rating high on power distance. Although the value orientation measured with the aid of Hofstede's tool helps in determining the cultural values but it may not provide the same results in case of individuals. The value orientation of an individual is also determined by factors like age, sex, education, background, etc. Hence, it cannot be assumed that individuals would rate similar to their culture type on the four dimensions of this questionnaire. (Hofstede, 1980)

Hofstede (1980) study positively indicated that the Indian culture would rate high on power distance. This indicates that the superiors do not underplay use of power to exercise control over the subordinates. As per his definition (Hofstede, 1984; p72), “The power distance between a boss B and a subordinate S is the difference between the extent to which B can determine the behavior of S and the extent to which S can determine the behavior of B.” In high power distance countries (unlike low power distance countries), few qualities are considered more admirable than dedication and loyalty to

one's company and that most employees would like to make a real contribution to the company's success. On the other hand, de facto participation is generally resisted. A key point to note is that in a high power distance culture, employees lose respect for a consultative manager, and one is perceived as a good manager if one gives detailed instructions (Hofstede, 1980). In higher power distance cultures, stress is on anything that strengthens the relationship between the employee and the company.

Hypothesis 2. Power distance would be positively related to transformational leadership.

Hypothesis 3. In a high power distance culture like Indian culture, power distance would moderate the effect of transformational leadership on follower altruism such that the relationship between transformational leadership and follower altruism would be stronger when power distance is high than when it is low.

Method

A sample of 105 pairs of leaders and followers from an Indian defense services institution was used for the study. If all the ranks were to be placed in a hierarchy with 1 being the top, the leader-respondents ranged from rank 5 to rank 8 in the hierarchy and the follower-respondents from rank 7 to 11. In all the pairs, the follower was someone working under the direct guidance of the respective leader; however, the rank in all cases was not of the immediate subordinate. Of the 105 pairs, 70 were from the various units from a station in eastern India and the other 30 from the northern central. Of the 105 pairs, 104 were male and only one female (both leader and subordinate; both in separate pairs). Of the 101 leaders who answered the query of their marital status, only six were unmarried, and just seven of them had no children. In case of the subordinates, of the 96 who responded, only five were unmarried and of the 91 who responded, ten had no children. The leaders had substantial work experience in the organization. The least work experience was of 1 year while majority of them had work experience of over 10 years.

The leaders were given a questionnaire on cultural dimensions and the subordinates were given the questionnaire on altruism and transformational leadership (for the leaders). The leaders had 14 questions in all to answer while the subordinates had 66 items to answer.

To measure altruism, Rushton et al. (1981) self-report altruism questionnaire was used. Responses were measured along a 5-point Likert scale ranging from strongly disagree to strongly agree. Transformational leadership of the superior was measured using the Multifactor Leadership Questionnaire (Avolio, Bass, & Jung, 1995). It had 47 items, attributed charisma was measured using 8 items, for idealized influence 10 items were used, for inspirational leadership 10 items were used, for intellectual stimulation 10 items were used, and for individualized consideration 9 items were used.

A 5-point scale was used for the leaders to rate themselves on the four dimensions on which the values are classified. Three items were used to measure power distance. For uncertainty avoidance, another three items were used but they had low reliability and hence we dropped this dimension for the purpose of this study. For individualism, two items were picked from the four in the original questionnaire. As the sample was that of the defense services, these items seemed more appropriate. There was a general discomfort in rating items like "desirable area to live in," etc., as one does not have much of a choice while serving in such an institution. The fourth dimension, masculinity was measured with the aid of four items. The scored were reversed so that high scores on these scales indicated being high on those dimensions.

Results

Table 1 presents descriptive statistics and correlations between the variables. As has been shown in earlier studies, all the five transformational leadership dimensions were significantly positively related to each other and to follower altruism. The results provided substantial support for

the first hypothesis. Results showed the existence of a significant positive relationship between all the five transformational leadership dimensions and power distance. This provided support for Hypothesis 2. However, power distance was not related to follower altruism.

Table 1
Descriptive Statistics and Correlations between Variables ^a

(N = 94 to 100)	M	SD	1	2	3	4	5	6	7	8	9
1. Attributed charisma	2.94	.65	(.57)								
2. Idealized influence	2.98	.48	***.64	(.80)							
3. Inspirational leadership	3.00	.50	***.53	***.77	(.69)						
4. Intellectual stimulation	2.70	.56	***.61	***.68	***.78	(.86)					
5. Individualized consideration	2.69	.67	***.64	***.57	***.65	***.77	(.88)				
6. Altruism	1.97	.98	** .29	** .29	***.34	** .26	***.38	(.89)			
7. Power distance	2.71	.79	*.23	*.24	*.24	***.37	***.33	-.12	(.51)		
8. Individualism	3.44	.53	-.14	.03	.00	*-.20	**-.25	-.19	-.00	(.79)	
9. Masculinity	3.44	.49	-.09	.11	.15	-.00	-.11	-.15	.04	***.55	(.53)

^a Alphas are in parentheses along the diagonal. † = $p < .10$. * = $p < .05$. ** = $p < .01$. *** = $p < .001$.

In order to determine the combined impact of transformational leadership and power distance on altruism (Hypothesis 3), we created variables that were simple products of each transformational leadership dimension and power distance. We did regression analyses with altruism as dependent variable and transformational leadership dimension, power distance, and the product of transformational leadership dimension and power distance as independent variables. The overall models were significant but the product terms were not significant. Thus, Hypothesis 3 was not supported. Power distance did not enhance the effect of transformational leadership on altruism.

Discussion

Results provide support for two of our three hypotheses. The positive relationship between transformational leadership and altruism has been established earlier also. Bass (1998) asserted that a transformational leader is one who can move the followers to exceed expected performance (i.e. extra-role behavior). All the five dimensions are positively related to altruism. An interesting point to observe is that the results show positive relationships between power distance and transformational leadership and between transformational leadership and altruism, but there is no significant relationship between power distance and altruism.

On calculating the power distance score as provided by Hofstede, we obtained a high score of 83.15. Comparing this figure to those obtained through various studies conducted on Indian managers on Hofstede's dimensions (Hofstede, 1980; Daftuar, 1982; Singh, 1990), we can safely conclude that the power distance between the followers and the leaders in the Armed forces is rather high. The scores obtained by the earlier studies were as follows: 77 (Hofstede), 69 (Daftuar), and 12 (Singh). The sample sizes were 231, 55, and 176 respectively. As per the data collection done by Hermes Corporation mentioned in Hofstede (1980), India was among the top five on power distance as per the key question of "How many times are subordinates afraid to express their disagreement?" Singh explains the lower score in his article but generally accepts the fact that Indians rate high on power distance. The Indian cultural orientation is the cause of the positive impact on altruism scores. Previous researches have shown that in collectivistic and low uncertainty avoidance cultures, transformational leadership is more effective.

Managerial Implications

The study has significant implications for practicing managers. That transformational leadership enhances follower altruism has been seen in earlier studies also. However, this study also shows that when managers maintain a high power distance over the subordinates in a high power distance culture, the manager may be perceived as more transformational. Hofstede too has often stated that in a high power distance culture a participative manager may be perceived as a weak and inefficient manager. In addition, the general perception in such culture is that the greatest of all values is the loyalty towards the organization and that the employees must work not for their selfish interests but the good of the organization. In wake of such facts, the employees would generally display altruism or as is said in organizational parlance, greater organizational citizenship behavior (OCB) as a part of their duty towards their organizations, and such behavior would be further enhanced by transformational leadership. OCB or altruism is a key determinant of group behavior and teamwork. A major task to be performed by managers today is to ensure that their team of subordinates works efficiently and effectively. Altruism in the organizational context holds immense value by the virtue of it supporting collectivism and group behavior. When situation demands, one would rise over one's individual self and perform other's tasks for the betterment of the organization without expecting rewards for the same. The study actually describes the kind of values of the leader, which would enhance this altruism amongst the followers. Being transformational is one way of being able to generate altruistic behavior in followers. If managers maintain high power distance from their subordinates, they are more likely to be seen as transformational leaders. The "buddy" culture that most organizations are building today would not really lead to subordinates' better performance in the high power distance cultures. A leader must maintain enough power distance such that it generates in the followers respect and charisma towards the leader, in the high power distance cultures.

The need for the leader to be transformational arises due to the Hofstede's paradox. The paradox is that on one side the employees in high power distance cultures (like India) look for greater participation (as an ideology) and on the other side seek strong leadership. To maintain the balance between the two conflicting demands, it is essential that leader be transformational, who maintains an individualized consideration with the subordinates and maintains a power distance. The study very clearly shows the fact that a transformational leader positively affects the altruistic behavior of the followers. Transformational leadership would be enhanced by followers' respect for authority and obedience.

Limitations

A limitation of this survey was the sample of defense personnel used for the study, making the findings less generalizable to other organizations. Another limitation is the use of Hofstede questionnaire for measuring individual's values. Hofstede's questionnaire has typically been used to measure organization's or a culture's values. Thus, some of the items are so designed that they rate the organization on the dimensions rather than the individuals (respondent). Undoubtedly, one of the methods to determine the values of an organization is by getting to know the values of the members, thus many items actually rate individuals on the various dimensions (thereby serving our purpose) but some items are directed totally to the organization and not the individual.

Suggestions for Future Research

The survey throws up a number of other relationships between the various variables, which could be taken up for further studies. The impact of the organizational structures and the position of a leader and a follower in the same on the "perceived transformational leadership" of the leader and the altruistic behavior of the followers could be studied. This perceived transformational leadership variable would be affected by the organizational structure. In addition, whether similar findings would emerge in a low power distance country as well needs to be researched.

Conclusion

Altruistic behavior is the key to the success of teamwork, or any collective initiative. It is only through a helping behavior that our societies can develop and flourish. The members of a society need

to be bound together in a common bond of concern and dedication. The generation of altruistic behavior amongst the citizens of a country can be largely done by transformational leaders. However, to enhance transformational leadership in high power distance cultures, managers must somehow manage to generate an element of power distance between themselves and their subordinates.

References

- Alotaibi, A. G. (2001). Antecedents of organizational citizenship behavior: A study of public personnel in Kuwait. *Public Personnel Management*, 30 (3), 363
- Ardichvili, A. and Gasparishivili, A. (2001). Leadership profiles of managers in post-communist countries: A comparative study. *Leadership and Organization Development Journal*, 22 (2), 691.
- Avolio, B., Bass, B.M. and Jung, D. (1995), MLQ: Multifactor Leadership Questionnaire: Technical Report, *Mind Garden, Palo Alto, CA*.
- Banerji, P. and Krishnan V. (2000). Ethical preferences of transformational leaders: an empirical investigation. *Leadership and Organisation Development Journal*, 21 (8), 405-413.
- Bass, B. (1956). Development of a structured disguised personality test. *Journal of Applied Psychology*, 40, 393-397.
- Bass, B. (1985). *Leadership and performance beyond expectations*. New York: Free Press.
- Bass, B. M. (1997). Does the transactional/transformational leadership transcend organizational and national boundaries? *American Psychologist*, 52, 130-139.
- Bass, B. M. (1998). *Transformational leadership: Industrial, military and educational impact*. Mahwah, NJ: Lawrence Erlbaum Associates.
- Bass, B. M. (1998a). The ethics of transformational leadership. In Ciulla, *Ethics, the heart of leadership* (pp. 169-192). Westport: Praeger.
- Bass, B.M. and Steidlmeier, P. (1999). Ethics, character, and authentic transformational leadership behavior. *Leadership Quarterly*, 10 (2), 181-217.
- Bendek, Z.M. (2002). Citizens of the future: Beyond normative conditions through the emergence of desirable collective properties. *Journal of Business Ethics*, 39 (1/2), 189-195.
- Blasi, A. (1980). Bridging moral cognition and moral action: A critical review of the literature. *Psychological Bulletin*, 88, 1-45.
- Bowie N.E. (1991). Challenging the egoistic paradigm. *Business Ethics Quarterly*, 1 (1), 3.
- Burns, J. (1978). *Leadership*. New York: Harper & Row.
- Carey, M. (1992). Transformational leadership and the fundamental option for self-transcendence. *Leadership Quarterly*, 3, 217-236.
- Clarke, K. and Sefton, M. (2001). The sequential prisoner's dilemma: Evidence on reciprocation. *The Economic Journal*, 111 (468), 51-68.
- Conger, J. and Kanungo, P. (1998). *Leadership in Organizations*. London: Sage.
- Cosmides, L. (1989). The logic of social exchange: Has natural selection shaped how humans reason? Studies with the Wason selection task. *Cognition*, 31, 187-276.
- Crouch, E., Bloch, S., and Wanlass, J. (1994). Therapeutic factors: Interpersonal and intrapersonal mechanisms. In Fuhriam, A. and Burlingame, G. (eds.), *Handbook of Group Psychotherapy: An empirical and clinical synthesis* (pp. 269-315). New York: Willey.
- Daftuar, C.N. (1982). Power Distance and other work values among handicapped and normal employees. *M S University of Baroda, Baroda, India*.
- Dorfman, P. and Howell, J. (1988). Dimensions of National Culture and Effective Leadership Patterns: Hofstede Revisited in *Advances in International Comparative Management*, JAI Press 1988, pp.127-150.
- Elgood, C. (1981). *Handbook of management games*. Hampshire: Gower Publishing Company limited.

- Emanuele, R. and Simmons, W. (2002). More than Altruism: What does the cost of fringe benefits say about the increasing role of the nonprofit sector? *Mid - American Journal of Business*, 17 (2), 31-36.
- Fairholm, G.W. (1996). Spiritual leadership: fulfilling whole-self needs at work. *Leadership and Organization Development journal*, 17(5), 11-17
- Fairholm, G.W. (1991). *Values leadership: Towards a new philosophy of leadership*. New York: Vintage books.
- Farh, J., Podsakoff, P., and Organ, D. (1990). Accounting for organizational citizenship behavior: Leader fairness and task scope versus satisfaction. *Journal of Management*, 16 (4), 705-721.
- Ferencik, B. (1992). The helping process in group therapy: A review and discussion. *Group*, 16, 113-124.
- Forsyth, D. (1999). *Group Dynamics*. Belmont: Wadsworth Publishing Company.
- Gardner, & Avolio (1998). The charismatic relationship: A dramaturgical perspective. *Academy of Management Review*, 23, 32-58.
- Goeglein, A., & Hall M. (2001). *Systems, values, and transformative leadership*. Retrieved on Jan 07, 2001 from <http://www.sysval.org/articles.html>.
- Hamilton, W.D. (1964). The genetical evolution of social behavior I. *Journal of Theoretical Biology*, 7, 1-16.
- Handy, C. (1997). The angel and beast in everyone. *Management Today*, February. 29.
- Hofstede, G. (1980). *Culture's Consequences*. California: Sage publications.
- Hofstede, G. (1984). *Culture's Consequences: International Differences in Work-Related Values*. Beverly Hills: Sage Publications
- Hofstede, G. (1991). *Cultures and Organizations: Software of the Mind*. London: McGraw-Hill.
- Hofstede, G. (1997). *Cultures and Organizations: Software of the Mind*. New York: McGraw-Hill.
- Holmes, S. (1990). The secret history of self-interest. In James Mansbridge (ed.), *Beyond Self-Interest* (pp. 269). Chicago: University of Chicago.
- House, R.A. (1998). The globe project. San Francisco: *International Congress of Psychology*.
- Jung, D. & Avolio, B. (1999). Effects of leadership style on followers' cultural orientation on performance in group and individual task conditions. *Academy of Management Journal*, 42 (2), 208-218.
- Jung, D., Bass B., & Sosik, J. (1995). Bridging leadership and culture: A theoretical consideration of Transformational leadership and collectivistic cultures. *The Journal of Leadership Studies*, 2 (4), 3-18.
- Kanungo, R., & Medonca, M. (1996). *Ethical dimensions in leadership*. Beverly Hills, C.A.: Sage Publications.
- Keeley (1995). The trouble with transformational leadership: Toward a federalist ethic for organizations. *Business Ethics Quarterly*, 5, 67-95.
- Kluckhohn, C. (1951). *Values and value orientations in the theory of action*. Cambridge: Harvard University Press.
- Konovsky, M.A., & Folger, R. (1991). The effects of procedural and distributive justice on Organizational citizenship behavior. Unpublished manuscript
- Krishnan, V. R. (2001). Can the Indian worldview facilitate the emergence of a transformational leader? *Management and Labor Studies*, 26 (4), 237-244.

- Leete, L. (1994). Nonprofit wage differentials in the United States: New estimates from the 1990 Census. Working Paper. *Mandel Center for Nonprofit Organizations Discussion Paper Series*
- Lieberman, M. (1993). Self help groups. In Kaplan, H and Sadock, M. (eds.), *Comprehensive group psychotherapy* (3rd edition, pp. 292-304). Baltimore: Williams & Wilkins.
- Lord, R. & Brown, M. (2001). Leadership, values and subordinates self concept. *The Leadership Quarterly*, 12 (2), 133-152.
- Markus H., & Kitayama S. (1991). Culture and Self: Implications for cognition, emotions and motivation. *Psychological Review*, 98, 224-253.
- Marriot, M. (1976). Hindu transactions: Diversity without dualism. In B. Kapferer, *Transactions and meaning* (pp.109-142).
- Miller, J. (1984). Culture and the development of everyday social explanation. *Journal of Personality and Social psychology*, 46, 961-978.
- Miller, J., Bersoff, & Harwood (1990). Perceptions of social responsibilities in India and in US: Moral imperatives or personal decisions? *Journal of Personality and Social Psychology*, 58, 33-47.
- Organ, D. (1988). *Organizational Citizenship Behavior*. Lexington.
- Organ, D., & Konovsky, M. (1989). Cognitive versus effective determinants of organizational citizenship behavior. *Journal of Applied Psychology*, 74, 157-164.
- Paul, A.M. (1998). Anatomy of an altruist. *Psychology Today*, 31(3), 18-19.
- Podsakoff PM, Ahearne M & MacKenzie S.B. (1997). Organizational citizenship behavior and the quantity and quality of work group performance. *Journal of Applied Psychology* 82(2): 262-270.
- Podsakoff PM & MacKenzie S.B. (1994). Organizational citizenship behavior and sales unit effectiveness. *Journal of Marketing Research* 31: 351-363.
- Podsakoff, P.M. & MacKenzie, S.B. & Hui (1993). Citizenship behavior and fairness in organizations: Issues and directions for future research. *Employee Responsibilities and Rights Journal*, 6, 257-269.
- Preston, A. (1989). The nonprofit worker in a for-profit world. *Journal of Labor Economics*, 17, 438-463.
- Radhakrishnan, S. (1999). *Indian Philosophy (Vol. 1)*. New Delhi: Oxford University Press
- Rest, J. and Narvaez, D. (1994). *Moral Development in the Professions: Psychology and Applied Ethics*. Hillsdale, NJ: Lawrence Erlbaum.
- Rogers, K. (1997). Beyond self-interest and other. In Paul, E., Miller, F., & Paul J. (eds.), *Self-Interest* (pp. 14). Cambridge: Cambridge University Press.
- Rokeach, M. (1968). *Beliefs, attitudes and values: A theory of organization and change*. San Francisco: Jossey-Bass.
- Ros, M., Schwartz, S.H., & Surkiss, S. (1999). Basic individual values, work values and the meaning of work. *Applied Psychology*, 48, 49-71.
- Rushton, J.P., Chrisjohn R.D., & Fekken G.C. (1981). The altruistic personality and the self report altruism scale. *Personality and Individual Differences*, 2, 293-302.
- Ryan, J.J. (2001). Moral reasoning as a determinant of Organizational citizenship behavior. *Journal of business Ethics*, 33 (3), 233-244.
- Schulman, D. (2002). The biology of benevolence. *Psychology Today*, 35 (6), 24.
- Schwartz, S. and Sagiv, L. (1995). Identifying culture-specifics in the content and structure of values. *Journal of Cross-cultural Psychology*, 26 (1), 92-116.

- Scott, W.A. (1956). *Values and Organizations*. Chicago: Rand Mc Nally.
- Shamir, B., House, R.J., & Arthur, M.B. (1993). The motivational effects of charismatic leaders: a self-concept based theory. *Organizational Science*, 4, 577-594.
- Singh, J. and Hofstede, G. (1990). Managerial culture and work related values in India. *Organization Studies*, 11 (1), 75-101.
- Smith, A., Organ, D.W., & Near, J.E. (1983). Organizational citizenship behavior: It's nature and antecedents. *Journal of Applied Psychology*, 68 (4), 653-663.
- Tansky, J.W. (1993). Justice and organizational citizenship behavior: What is the relationship. *Employee Responsibilities and Rights Journal*, A6 (3), 195-207.
- Thoma, S. and Rest, J. (1986). Moral Judgment, Behavior, Decision Making, and Attitudes. In Rest, J. (ed.), *Moral Development: Advances in Theory and Research* (pp.133-175). New York: Praeger.
- Trivers, R.L. (1971). The evolution of reciprocal altruism. *The Quarterly Review of Biology*, 46, 35-57.
- Troiano, P. (1998). Nice guys finish first. *Management Review*, 87 (11), 8.
- Turner, J.H., & Valentine, S.R. (2001). Cynicism as a fundamental dimension of moral decision-making: A scale development. *Journal of Business Ethics*, 34 (2), 123-136.
- Underwood, B. and Moore B. (1982). Perspective Taking and Altruism. *Psychological Bulletin*, 91, 143-173.
- Vitell, S., Nwachukwu, S., and Barnes, J. (1993). The Effects of Culture on Ethical Decision-Making: An Application of Hofstede's Typology. *Journal of Business Ethics*, 12, pp. 753-760.
- Williams, R.M., Jr. (1968). *The concept of values*. New York: Macmillan and Free Press.
- Williams, R.M., Jr. (1971). *Change and stability in values and value systems*. Boston: Little, Brown.
- Wills, T. & De Paulo, B. (1991). Interpersonal analysis of the help seeking process. In Synder, C. and Forsyth, D. (eds.), *Handbook of social and clinical psychology: The health perspective* (pp.350-375). New York: Pergamon.
- Wood, G. (2002). A partnership model of corporate ethics. *Journal of Business Ethics*, 40 (1), 61-73.
- Yammarino, F.J., & Bass, B.M. (1990). Transformational Leadership and multiple level of analysis. *Human Relations*, 43 (10), 975-995.