

## Impact of Gender and Transformational Leadership on Organizational Culture

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*Abstract.* An experiment was conducted to study the impact of leader's feminine traits and transformational leadership on organizational culture, using a sample of 109 MBA students from a leading management institute in India. A 2x2 design with four leadership scenarios—transformational feminine leader, transformational masculine leader, feminine leader, and absence of a leader—was used, and 54 characteristics of organizational culture were measured. Results of (non-parametric) Kruskal Wallis and Median tests show that feminine leadership enhances people-orientation, collaboration, and team-orientation and reduces aggressiveness, competitiveness, and results-orientation. Transformational leadership enhances competitiveness, achievement-orientation, performance expectations, results-orientation, innovation, and using opportunities, and reduces stability, predictability, and security of employment. Results also show that transformational leadership and femininity together enhance achievement-orientation and reduce stability.

Studies have shown that leadership has an impact on the culture of an organization. The management style and beliefs of the leader influence the culture of the organization (Schein, 1984, 1990). Various authors have studied the differences between men and women leaders but not much work has been done on the impact of the traits of a leader on the culture of an organization. This experimental study looked at culture as a function of gender traits and transformational leadership. We examined the kind of culture that leaders with high feminine and transformational traits create. The transformational leaders have been perceived to be feminine. Therefore, it makes an interesting case to study the effect of femininity and transformational leadership together on culture.

### Theory and Hypotheses

Although psychologists have used the concepts of group norms and climate for a long time, the concept of culture has been used only in the last few decades. It is an important factor in the development process of individuals as members in an organization and thus an important variable to study.

#### *Organizational Culture*

The culture of an organization is defined as “a pattern of shared basic assumptions that the group learned as it solved its problems of external adaptation and internal integration, that has worked well enough to be considered valid and, therefore, to be taught to new

members as the correct way to perceive, think, and feel in relation to those problems” (Schein, 1984: 1). To understand an organization, studying its culture is of prime importance.

*Dimensions of culture.* Deal and Kennedy (1982) identified business environment, values, heroes, the rites and rituals, and the cultural network as the elements of organizational culture. In a sample of US firms, O’Reilly, Chatman, and Caldwell (1991) identified seven dimensions of organizational culture using an instrument they developed, the organizational culture profile (OCP)—innovative, stable, respecting of people, outcome-oriented, detail-oriented, team-oriented, and aggressive. Using OCP and a sample of 15 US firms, Chatman and Jehn (1994) found evidence that innovation, stability, people-orientation, outcome-orientation, an emphasis on being easygoing, attention to detail, and team-orientation were pervasive organizational culture themes.

*Determinants of culture.* The vision, management style, personality, and beliefs of leaders influence the organizational culture (Schein, 1984, 1990, 1993; Schneider et al., 1995). They provide tangible role models for employees to follow (Deal & Kennedy, 1982). Founder’s goals result in the enactment of specific policies and practices to achieve these goals, and the combination of goals and their resulting policies and practices yields unique structures, processes, and culture in organizations (Schneider, Goldstein, & Smith, 1995).

*Socialization.* “Organizational socialization is the process of learning the ropes, the process of being indoctrinated and trained, and the process of being taught what is important in an organization or subunit thereof” (Schein, 1988: 2). The concept refers to the process by which new members learn the value system, norms, and the required behavior patterns of the group that they are entering. Therefore depending upon the socialization tactic used, the orientation of the culture would take place (Schein, 1990).

Culture is seen to be highly influenced by the style of leader (Schein, 1990). In the past two decades, there has been an increase in the number of women working in the corporate sector as both subordinates and leaders. Due to this change, it becomes important to study the effect of feminine leadership on culture.

### ***Feminine Leadership***

There has been a wide range of studies on women and their leadership styles. Feminine leadership is seen to exist not only due to the difference in the sex of the leader but also due to the gender traits.

*Gender traits.* Various researchers have conducted studies on the differences in group-processes due to gender. Women are characterized as being relatively submissive and passive and they possess “feminine traits,” e.g., they are kind and selfless whereas men are aggressive and independent (Feather, 1984). Women place less emphasis on competitive success and more on doing tasks well and promoting harmonious relationships (Betz, O’Connell, & Shephard, 1989). A meta-analysis conducted by Eagly and Johnson (1990) indicated that the task-oriented leadership behavior by females and males varied according to the extent of gender congeniality. Women were more task-oriented as compared to men in roles that were gender congenial for females. Therefore, where leadership is defined in feminine terms, women are more likely to adopt a task-oriented leadership style as compared to men.

*Leadership styles of men and women.* Women are very similar to men in their leadership styles, but are often higher in the supporting role (Gregory, 1990). Eagly and Karau (1991) claimed that in small groups, men focused somewhat more than women did on the strictly task-oriented aspects of group process, and women focused somewhat more than

men on the interpersonally oriented aspects. Eagly and Johnson (1990) analyzed 162 studies and showed that when formal leadership positions were not being held, women used a more participative and inclusive style of leadership and men were more likely to use a directive, controlling style.

*Organizational culture and gender.* Studies have shown that women and men differ in their behaviors, style, and values as leaders (Eagly & Steffen, 1984; Eagly & Karau, 1991). Therefore, gender traits of the leader would influence the culture of an organization.

Studies have shown that feminine traits include being warm, selfless, kind, nurturing, submissive and passive whereas masculine traits include being more aggressive, competitive, and independent (Feather, 1984). Men are more agentic whereas women are more communal in nature (Eagly & Steffen, 1984). Women are more oriented towards interpersonal group-processes (Eagly & Karau, 1991). Women give more attention to people, while men give more attention to task. Research has shown that women place less emphasis on competitive success and more on doing tasks well (Betz et al., 1989). Hence, we hypothesized:

*Hypothesis 1.* Leader's femininity would enhance the relative importance given to being people oriented, working in collaboration with others, and being team oriented.

*Hypothesis 2.* Leader's femininity would reduce the relative importance given to being aggressive, being competitive, and being results oriented.

With people becoming important in the functioning of any organization, a leader with high developmental and empathetic traits is seen to be more effective. Transformational leaders are similar to feminine leaders in that respect. Therefore, a combined effect of both kinds of leadership on culture needs to be studied.

### ***Transformational Leadership***

The role of transformational leader is indispensable in the current business scenario. Transformational leadership is extremely important for the smooth running and progress of organizations. According to Burns (1978: 20), 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." It differs, however from earlier conceptualizations of charisma as the leader also demonstrates individualized consideration and intellectual stimulation. A transformational leader encourages and supports individual members of the group (Bass, 1998). Howell and Avolio (1993) studied 78 managers to show that transformational leaders were associated with a higher internal locus of control and significantly and positively contributed to the achievement of business-unit goals.

*Transformational leadership and culture* Transformational leadership influences the culture of an organization as the followers are supported for questioning their own values, beliefs, and expectations and those of the leader and organization, which may be inappropriate for current problems (Bass, 1985). The structure is likely to be without formal controls and creativity will be high. Individual is given encouragement for growth and improvement (p. 67). Tichy and Ulrich (1984) stated that transformational leaders bring about basic changes in political and cultural systems. Leaders can shape cultures by careful monitoring and by encouraging and rewarding employees to behave in certain ways. Howell and Frost (1989) found in their study of 144 commerce graduates that regardless of the group norms of productivity, followers had high task performance when working under a charismatic leader rather than a task or relationship-oriented leader. Subordinates have rated transformational leaders high on employee development, adaptability, planning and analysis, communication, and risk taking (Hater & Bass, 1988). In their interactions with followers,

transformational leaders provide a social stimulus for the motivation of collective action by followers (Shamir, 1991). Yammarino, Dubinsky, Comer, and Jolson (1997) showed that transformational and contingent reward leadership were positively related to subordinate commitment and performance.

*Transformational leadership and gender.* Lord, De Vader, and Alliger (1999) have suggested that masculinity-femininity is an important personality trait in forming leadership perceptions. Bass and Avolio (1994) used the Multifactor Leadership Questionnaire (MLQ) to show that women managers have more idealized influence, are more inspirational and individually considerate than men. Men are higher in management-by-exception and *laissez-faire* leadership, both being less proactive styles and linked to less effective outcomes.

Rosener (1990) showed that women described themselves in ways that characterize transformational leadership. Ross and Offermann (1997) found that transformational leadership relates positively to pragmatism, nurturance, and feminine attributes and negatively to criticalness and aggression. Eagly and Johannesen-Schmidt (2001) meta-analyzed 47 studies and showed that women exceeded men significantly on individualized consideration. Carless (1998) examined 120 women and 184 men employed as bank managers and found that female managers were more transformational than male managers, when they rated themselves and when they were rated by their superiors. Self-ratings showed significant differences in interpersonally oriented behavior. As women show more supportive behavior as compared to men (Gregory, 1990; Eagly & Karau, 1991), they would be more identified with and trusted than men transformational leaders. In addition, Bass and Avolio (1994) showed that women leaders rate higher on transformational behaviors than men leaders.

According to Bass (1998), a predominately transformational culture is likely to be team-accented, adaptive, dynamic, creative, flexible, and conducive for individual growth. A dynamic culture would result in less predictable outcomes. Transformational leadership includes intellectual stimulation that stimulates followers to be creative and innovative by challenging the status quo. The leader inspires the followers to look for different ways of reaching a goal (Bass, 1985). Hence, we hypothesized:

*Hypothesis 3.* Transformational leadership would enhance the relative importance given to being competitive, achievement orientation, having high expectations for performance, being results oriented, being innovative, and being quick to take advantage of opportunities.

*Hypothesis 4.* Transformational leadership would reduce the relative importance given to stability, predictability, and security of employment.

*Hypothesis 5.* Transformational leadership and femininity would together enhance the relative importance given to achievement orientation and reduce the relative importance given to stability.

## **Method**

We collected data from a leading management institute in eastern India. The sample originally consisted of 112 MBA students of which 109 responses were finally included. For the experiment, 64 general management and 48 personnel management students were taken. The sample consisted of 26 female students and the median age of the students was 23 years. The experiment used a 2x2 design. The behaviors demonstrated by the leaders in the four cells were—transformational and feminine, transformational and masculine, only feminine,

and no participation of the leader. Masculine traits were introduced in the second cell, as it is difficult to retain absence of femininity in presence of transformational leadership. The cells consisted of 28, 32, 20, and 32 subjects respectively. The subjects in each cell were given a team activity to perform in half an hour.

After the activity, they were asked to rate the leader on transformational and feminine traits, to test if the cells were seen as designed. Transformational leadership of the leader was measured using the MLQ (Bass & Avolio, 1991). All the five dimensions in the questionnaire were found to be reliable. The five factors were highly correlated to each other, and the mean of the five factors was therefore taken as the measure of transformational leadership. The gender traits of the leader were measured using BSRI (Bem, 1973). Both femininity and masculinity scales were found to be reliable. The design of the experiment was tested using t-tests. Transformational leadership scores were significantly higher in the transformational leadership cells than in the non-transformational leadership cells. Femininity scores were significantly higher in the feminine cells than in the non-feminine cells.

The outcome variable i.e. culture was measured with the help of OCP (O'Reilly et al., 1991). The OCP has 54 value statements or items. Respondents were asked to sort the 54 items into nine categories ranging from most to least characteristic, and to put a specified number of items in each category; the required item-category pattern is 2-4-6-9-12-9-6-4-2. Fewer items are required at the extremes than in the central, more neutral categories. The instructions to the leader and the subjects are given in the appendix.

## Results

Non-parametric tests were used due to the forced-choice scale used for measurement of culture. Kruskal Wallis and median tests were conducted for each pair of cells. Scores were considered different if they significantly varied across two cells in either of the tests. Table 1 gives the results of Kruskal Wallis and median tests for analyzing differences in culture across feminine and masculine, and across feminine and neutral cells. Relative importance given to being people oriented, working in collaboration with others, and being team oriented were significantly higher in the feminine cell. Thus, Hypotheses 1 was supported. Relative importance given to being aggressive, being competitive, and being results oriented were lower in the feminine cell, though the difference was only moderately ( $p < .10$ ) significant in the case of being results oriented. Hypothesis 2 was also therefore supported.

Table 2 gives the results of Kruskal Wallis and median tests for analyzing differences in culture across transformational leadership and non-transformational leadership cells. Relative importance given to being competitive, achievement orientation, having high expectations for performance, being results oriented, being innovative, and being quick to take advantage of opportunities were significantly higher in the transformational leadership cell. Therefore, Hypothesis 3 was supported. Relative importance given to stability, predictability, and security of employment were significantly lower in transformational leadership cell. This supported Hypothesis 4.

We then did Kruskal Wallis and median tests for analyzing differences in culture across all the four cells—transformational and feminine, transformational and masculine, only feminine, and no participation of the leader. Relative importance given to achievement orientation significantly varied across the four cells such that it was the highest in the transformational and feminine cell (medians were 4, 5, 6, and 5 respectively for the 4 cells,  $p < .05$  for both the tests). Relative importance given to stability significantly varied across the

four cells such that it was the lowest in the transformational and feminine cell (medians were 6, 6, 5, and 4 respectively for the 4 cells,  $p < .05$  for both the tests). These supported Hypothesis 5.

**Table 1**  
***Difference in Median Ranks for Culture Items across Cells Varying in Femininity***

	Feminine Cells	Masculine Cells	KW	Median Test	Neutral Cells	KW	Median Test
Achievement orientation	5.00	5.00	0.00	0.09	5.00	0.96	0.75
Being aggressive	7.00	5.00	**11.39	**11.83	6.00	**11.47	**12.56
Being competitive	5.00	3.00	*5.96	*5.40	5.00	*7.01	†5.29
Being innovative	5.00	4.00	1.32	1.91	5.50	3.14	†5.41
Being people oriented	4.00	5.00	2.59	*4.40	5.00	*6.30	4.42
Being results oriented	5.00	3.00	†3.18	†3.43	4.00	3.63	3.61
Being team oriented	3.00	3.00	0.07	0.07	5.00	**11.95	†5.93
Having high expectations for performance	5.00	5.00	1.76	0.65	6.00	4.26	3.95
Opportunities for professional growth	5.00	5.00	1.75	2.44	6.00	†4.64	*6.47
Predictability	7.00	6.00	0.27	0.65	5.00	**11.98	*6.54
Security of employment	5.00	6.00	2.69	0.51	5.00	†4.79	1.21
Stability	6.00	6.00	0.69	1.70	4.00	**12.29	*7.36
Working in collaboration with others	4.00	4.00	0.20	0.04	5.00	*7.54	*6.24

KW = Kruskal-Wallis Test. † =  $p < .10$ . \* =  $p < .05$ . \*\* =  $p < .01$ .

**Table 2**  
***Difference in Median Ranks for Culture Items across Cells Varying in Transformational Leadership***

	Transformational Cells	Non- Transformational Cells	KW	Median Test
Achievement orientation	4.00	5.00	2.49	*5.58
Being aggressive	6.00	6.5	2.64	0.41
Being competitive	4.00	5.00	*5.43	1.33
Being innovative	4.00	5.00	1.61	*6.61
Being people oriented	5.00	5.00	0.88	0.02
Being results oriented	4.00	5.00	*4.65	1.98
Being team oriented	3.00	4.00	0.14	1.87
Having high expectations for performance	5.00	6.00	**8.30	**7.56
Opportunities for professional growth	5.00	6.00	1.03	*4.64
Predictability	7.00	6.00	*4.60	2.70
Security of employment	6.00	5.00	*4.36	2.18
Stability	6.00	4.5	**11.69	*6.72
Working in collaboration with others	5.00	4.5	*4.97	0.52

KW = Kruskal-Wallis Test. † =  $p < .05$ . \*\* =  $p < .01$ .

## Discussion

The results of the study provide support to the claim that feminine leadership creates team-oriented, collaborative, and people-oriented cultures. The study also provides support for the non-aggressive and non-competitive orientation of feminine leadership, thus lending support to the existing literature. Femininity also reduces the results-orientation of a culture. This could mean that feminine leaders are less focused on the goal and pay more attention to other aspects like group processes or individual needs. For the success of a team activity or group process, a leader with feminine traits might be more suitable. We are seeing a visible change in the organizational structures from hierarchical to a flatter one, and rigid departments are giving way to fluid and flexible project-based teams that underline the importance of team-orientation and interpersonal skills.

The study shows support for the creation of innovative culture by transformational leaders. Earlier studies' claim to high performance in the presence of transformational leaders is supported by the results. With the opening up of the economies and the rise in competition, a firm needs to be innovative and has to outperform the rival firms to survive. This is possible only if the leader of the organization encourages innovative and high performing culture. The finding that transformational leadership creates a less stable, predictable, and secure culture than non-transformational leadership is in line with the existing literature.

*Limitations.* The sample chosen was that of management students with no work experience, which could make the results of this study not generalizable across a wider population. The study needs to be replicated using a managerial sample. Findings show that transformational leadership creates a more competitive and achievement-oriented culture. This could have been partly because the experiment design involved competition, and therefore transformational leader's attempts to motivate the team could have been seen more along those lines. Future researchers could possibly study the degree to which values are shared among the subordinates of a transformational or a feminine leader.

## Conclusion

This study was conducted with a desire to find the impact of gender and transformational leadership on culture. Results show that feminine leadership enhances people-orientation, collaboration, and team-orientation. Similarly, transformational leadership enhances competitiveness, achievement-orientation, performance expectations, results-orientation, innovation, and taking advantage of opportunities. Results also show that transformational leadership and femininity together enhance achievement orientation and reduce stability. Leadership holds great importance today in the survival and growth of organizations. With increasing importance of cross-functional team processes and the need to innovate products and practices in current business scenario, the importance of transformational and feminine leadership has only increased even more. Our study provides a glimpse of the cultural changes that can be brought about by transformational or feminine leadership.

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## Appendix

### *Scenario Presented to the Subjects*

You are working in an advertising agency. A major company in the industry has just acquired your firm, being a very small but a promising one. It has been a week since the acquisition took place and you still have not met the CEO of the company. However, through the colleagues and the media you have come to know quite a lot about him.

*Description of the transformational leader.* He is considered as a 'Hero' in the industry because of the way he has raised his company from scratch. He is known to have gone against all the traditional norms and conventions to become successful. He has a high level of expectations from everyone about work and makes people work towards them. The company is totally based on the vision that he has created for it. His moral and ethical standards have made him a known figure in the corporate world. The original employees feel proud of being part of the company.

*Description of the feminine leader.* He is very affectionate and understanding, as he has established policies in the company that are very conducive for the employees in terms of their personal and family lives. He is a soft-spoken and gentle person who encourages them to develop their competencies and advises them actively on their development. He is always pleasant to talk to and takes interest in the employees at an individual level. He contributes a lot to social causes.

*Description of transformational masculine leader.* He is an aggressive and ambitious person who has a high level of expectations from everyone about work and makes people work towards them. He analyses the situations based on his beliefs and is a very demanding superior. He is known to have taken high risks in the past.

### *Instructions to the Leader*

Present yourself to the group and introduce the exercise that would be undertaken. Distribute the materials needed and explain the exercise to the subjects.

#### *Transformational leader:*

- Remain calm during difficult situations
- Set high standards
- Envision exciting new possibilities and seek differing perspectives when solving problem
- Express your confidence that the goal will be achieved
- Talk enthusiastically about what needs to be done
- Provide continuous encouragement

#### *Feminine leader:*

- Encourage the subjects to express their opinion and ideas
- Be affectionate, gentle, soft-spoken
- Don't use harsh language
- Be tender and understanding
- Talk about how trusting each other can help to overcome the difficulty

*Masculine leader:*

- Be aggressive and analytical
- Show willingness to take a stand
- Make assertive decisions
- Be forceful
- Show ambition and competitiveness
- Use harsh language