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Do Karma-Yogis Make Better Leaders? Exploring the Relationship between the Leader's Karma-Yoga and Transformational Leadership

ZUBIN R. MULLA
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This article validates James MacGregor Burns' hypothesis that moral development is a critical qualification of transformational leaders. In India, morality is conceptualized as Karma-Yoga, a technique for performing actions such that the soul is not bound by the results of the actions. Karma-Yoga has three dimensions—duty-orientation, indifference to rewards, and equanimity—and constitutes a comprehensive model for moral development in the Indian context. We studied 205 leader–follower pairs to investigate the impact of a leader's Karma-Yoga and a follower's belief in Indian philosophy on the follower's perception of transformational leadership. We found that a leader's duty-orientation was related to a leader's charisma and inspirational motivation. The relationship was strengthened when a follower's belief in Indian philosophy was high. The findings support a model of Indian transformational leadership built on the fundamental beliefs in Indian philosophy and duty-orientation.

Introduction

A crucial question often asked in leadership research is 'What is *good* leadership?' The word *good* is interpreted in two ways. First, we want our leaders to be effective and second, we want our leaders to be ethical. While it is easy to judge the effectiveness of leadership, judging the ethics of leadership is not so easy (Ciulla 1995). The two normative theories of leadership, which describe *good* leadership in terms of ethical or moral leadership, are James MacGregor Burns' theory

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of transformational leadership and Robert K. Greenleaf's theory of servant leadership. In this study, we investigate the moral aspects of Burns' theory of transformational leadership within the Indian context using Karma-Yoga, which is the Indian work ideal and the paradigm for socio-spiritual development in India.

James MacGregor Burns' Theory of Transformational Leadership

James MacGregor Burns' treatise on leadership is the best, most influential and prominent work on leadership (Ciulla 1995; Smith 1995). According to Burns, transformational leadership is superior to mere transactional leadership, which relies on a mutual exchange of valued outcomes like monetary incentives and promotions for hard work. Transformational leaders not only recognize and exploit existing needs of potential followers but also look for potential motives and higher needs in followers. In this manner, they completely engage their followers and help them to achieve their fullest potential (Burns 1978: 4).

Bass (1985, 1998) empirically validated Burns' conceptualization and defined transactional leadership as a part of transformational leadership. Bass' (1998) Full Range of Leadership model described three progressive leadership behaviours: transformational leadership, transactional leadership, and laissez-faire leadership forming a continuum of behaviours from most effective to least effective. Transformational leadership comprises of four components: idealized influence (charisma-attributed and charisma-behaviour), inspirational motivation, intellectual stimulation, and individualized consideration.

According to Burns (1978, 2003), moral development is related to transformational leadership in two ways. First, moral development is an essential characteristic of transformational leaders who embody the three standards, viz., virtue in their personal life, ethics in their transactional dealings, and universal/transforming terminal values (Burns 2003: 28). Second, the moral development of followers is an outcome of the transforming relationship. A key criterion for this transformation materializing in the follower is that the transformational leader must be at a slightly higher stage of moral development (Burns 1978: 428). Some studies have looked at enhanced moral development as a characteristic of the leader and have found some support for Burns' hypothesis (Popper et al. 2000; Sivanathan and Fekken 2002; Turner et al. 2002); however, there are very few studies in the Indian context (Mehra and Krishnan 2005; Narayanan and Krishnan 2003) that have investigated this important relationship.

What is Moral Development?

Moral development concerns the growth in the ability of an individual 'to understand the difference between right and wrong, to care about the difference between them, and to act on the basis of this understanding' (Parker 1998: 267). Thus, the development in moral reasoning is a necessary yet insufficient factor in producing moral action (Thoma et al. 1991). According to James R. Rest's four component model of human behaviour, moral behaviour is the result of at least four component processes: (i) moral sensitivity (interpreting the situation and identifying a moral problem); (ii) moral judgement (figuring out what one ought to do and formulating a plan of action that applies the relevant moral standard or ideal); (iii) moral motivation (evaluating how the various courses of action serve moral or non-moral values and deciding which action a person actually will

attempt to pursue); and (iv) moral character/ implementation (executing and implementing the moral course of action). The development of moral reasoning, which is often confused with moral development, is thus just one of the determinants of moral behaviour (Narvaez and Rest 1995; Rest et al. 1997; Thoma et al. 1991) and hence is only weakly related to moral behaviour outcomes.

Is Moral Development Conceptualized Universally across Cultures?

Like all other areas of human behaviour, the theory of moral reasoning has also been subjected to extensive cross-cultural research. Typical research questions include the universal existence of Kohlberg's stages, the universal nature of the sequence of the stages, impact of societal culture on moral development, and the rate at which development occurs in different cultures (Eckensberger 1994). Even though Kohlberg originally described his theory as 'universal', it has shown some limitations in its application across different cultures (Eckensberger 1994), especially in the higher stages of moral development (Snarey 1985). Some studies have also focused on the interaction of moral development, political ideology, and religious ideology on attitudes towards real-life issues (Narvaez et al. 1999).

We have identified five dimensions along which moral reasoning differs in different cultures. First, cultures differ on the relative emphasis given to self-derived principles and collective solidarity (Snarey 1985). Second, some cultures consider moral behaviour as an aspiration or personal choice while others may consider it an obligation or duty (Hamilton et al. 1990; Miller et al. 1990). Third, some cultures may prescribe alternative post-conventional codes such as those relating to

interpersonal responsibilities rather than justice obligations (Bersoff and Miller 1993; Miller and Bersoff 1992; Shweder et al. 1987). Fourth, depending on their view of the nature of man, society, and the world, cultures may differ in the extent to which they distinguish between moral norms and social conventions (Eckensberger 1994; Miller et al. 1990; Shweder et al. 1987). Finally, cultures differ in their perception of the ultimate beneficiary of moral action. While some cultures decide the moral status of actions depending on harm to others, other cultures base their judgements of morality based on the harm done to the agent (Chinmayananda 1989; Haidt et al. 1993; Shweder et al. 1997).

How is Moral Development Conceptualized in Indian Culture?

Cross-cultural studies of moral development have shown the limitations of a universal model for all societies (Eckensberger 1994; Narvaez et al. 1999; Shweder et al. 1987; Snarey 1985). Similarly, leadership research has also highlighted the need for developing culturally relevant models of leadership (Dumdum et al. 2002; House and Aditya 1997; Lowe and Gardner 2000; Pillai et al. 1999). Responding to the need for an Indian model of leadership there have been two divergent views. One view focuses on the idealized values as they are in Indian religious texts like the Upanishads and the Gita and shows how the Indian worldview is ideally suited for the emergence of transformational leaders (Krishnan 2001a). The concept of *maya*, preference for action, potential divinity, and goal of freedom facilitate the development of transformational leadership. The other view is that in order to study the cultural influence on Indian leadership, one must study the current social environment in India

as it is. This includes all the historical influences and political realities, which have made India what it is today. Sinha (1997) defined the organizational culture in India as a mix of traditionally idealized values and operant values formed because of the intermingling of the idealized values and the social realities of India. In this study, we investigate the role of the idealized Indian worldview in developing a model for Indian transformational leadership.

The primary task of transformational leadership is to identify, articulate, and satisfy latent needs within the followers. While basic physiological and psychological needs may be universal, the manifestations of these needs may vary widely from culture to culture (Burns 1978: 72). Culture represents the deepest assumptions and ideals of a group of people, and the leaders must be aware of these ideals if they wish to lead the followers to a higher level (Krishnan 2003).

The system of ethics and religion in the Indian context is Karma-Yoga (Vivekananda 1972 [Vol. 1]: 109), which is described in the Bhagwad Gita. The Bhagwad Gita or 'Song of God' is the most popular work in all the religious literature of India and it has influenced Indian life through the generations (Prabhavananda 1960: 95). It is part of the Indian epic the Mahabharata and is written in the form of a dialogue between Krishna and the great warrior Arjuna when the latter expressed his confusion in the midst of a great battle. The doctrine of Karma-Yoga is based on the fundamental beliefs of the Indian *weltanschauung*.

The Indian Worldview

The Indian worldview is characterized by three fundamental beliefs, which are common to all the six systems of Indian philosophy (Dasgupta 1922/1991: 71; Prabhavananda 1960: 201). First, the belief in the *karma* theory, i.e., all actions that are done have the power to ordain for their doers joy or sorrow in the future, depending on whether the action is good or bad. Often, individuals may be required to take birth in another body to experience fully the joy or suffering that is due to them because of their past actions. The second belief is in the existence of a permanent entity, the soul (*atma*), which is our true unknown nature, pure and untouched by the impurities of our ordinary life. The third belief is about the doctrine of salvation (*mukti*). Since actions lead us through this endless cycle of birth and death, if we could be free of all such emotions or desires that lead us to action, there would be no fuel (in the form of joys or sorrows to be experienced) to propel us into another birth and we would be free of this eternal cycle.

Based on the three fundamental beliefs in Indian philosophy, Mulla and Krishnan (2006) developed a six-item scale. The first two items measure the belief in soul, viz., 'Irrespective of external tendencies, all beings are inherently divine' and 'While my body is subject to birth and death, my soul is eternal'. The next three items measure the belief in the law of *karma,* viz., 'If I do good deeds, I will get good results either in this life or the next'; 'It is possible to grow spiritually by performing one's worldly duties selflessly'; and 'Joys and sorrows experienced by me are a result of my actions in this life or earlier lives'. The last item measures the belief in salvation, viz., 'The goal of life is to be liberated from the cycle of birth and death'. The scale for beliefs in Indian philosophy has been found to be reliable in earlier studies (Mulla and Krishnan 2006, 2007, 2008).

Karma-Yoga: The Technique of Intelligent Action

When one is convinced of the law of universal cause and effect, the existence of an eternal soul, and the objective of life as liberation of the soul from the eternal cycle of birth and death, one seeks opportunities for eternal salvation. Indian philosophy suggests that the path to be selected for liberation must be suited to the temperament and disposition of the seeker. Karma-Yoga provides one such path for freedom from the cycle of birth and death, which is suited for people with an active temperament who have chosen to remain in the world and aspire for liberation.

The word 'karma' comes from the Sanskrit root *kri*, which means doing, affairs or activity and includes all actions that a person performs whether they are of body, speech, or mind. The word 'yoga' comes from the Sanskrit root *yuj*, which means to join. However, in the Mahabharata it is used in three ways: as a special skill, device, intelligent method, or graceful way of performing actions (Gita, Chapter 2, Verse 50); as equability of mind towards success or failure (Gita, Chapter 2, Verse 48); and as the device for eliminating the natural tendency of karma to create bondage (Gita, Chapter 2, Verse 50). Since the latter two definitions of yoga speak of the relationship of yoga with action, the terms 'yoga' and 'Karma-Yoga' are used interchangeably at various instances in the Gita (Tilak 1915/2000). For the purpose of this study, we will use the word yoga to mean device or intelligent method and hence the term Karma-Yoga would be 'a technique for intelligently performing actions'.

Since the ultimate goal of all beings is to free the soul from the cycle of birth and death, any method that enables release from this perpetual cycle is preferable to any other method that is likely to bind the human soul to the cycle. Hence, whether we define Karma-Yoga as 'a technique for intelligently performing actions' or 'a technique for performing actions in a manner that the soul is not bound by the effects of the action', we mean the same thing (Tilak 1915/2000).

The essence of Karma-Yoga is given in the Gita (Radhakrishnan 1948/1993) Chapter 2, Verse 47, which says, 'To action alone hast thou a right and never at all to its fruits; let not the fruits of action be thy motive; neither let there be in thee any attachment to inaction.' This verse of the Gita is also mentioned by Tilak (1915/2000: 895) as giving the entire import of Karma-Yoga in a short and beautiful form. Later in the Gita (Radhakrishnan 1948/1993, Chapter 3, Verses 12, 13 and 16), Arjuna is told that persons who survive on this earth and use its resources without working are living in sin, and hence man is obliged to work selflessly in order to fulfill his duty towards the world. Hence, based on the results of Mulla and Krishnan's (2006) content analysis and the interpretation of the verses of the Gita, we have conceptualized Karma-Yoga as made up of three dimensions: duty-orientation, indifference to rewards, and equanimity.

Duty-Orientation, the Core of Karma-Yoga

The human body has a natural tendency to act. The Gita states that actions motivated by a desire bind the soul into the cycle of birth and death. Hence, the only way one can effectively function in society is by developing a sense of obligation or duty towards others. In this manner, all actions become a repayment of a debt and the actor is free of any motive for the actions.

The belief in the law of cause and effect makes us realize that we are placed in a particular situation because of unfulfilled past obligations on our part and we develop a sense of connectedness with all beings. When our belief in the law of cause and effect is coupled with the belief in the doctrine of salvation, it makes us strive to live a moral life for the benefit of society. The sense of connectedness, coupled with our striving to live a moral life for the benefit of society, creates in us a sense of duty or obligation towards others.

Indifference to Rewards

When an individual is able to discriminate between what is eternal (soul) and what is transient (the body) and is able to increasingly identify with the soul, one's actions are more spontaneous and not motivated by any material gratification. Besides, reduced identification with the body creates insensitivity towards physical pleasures and pain. Because of this, an individual develops an indifference to rewards (Tilak 1915/2000).

In addition, since the outcomes of one's actions are dependant on an elaborate chain of cause and effect, all that is in the individual's control is performance of that action. Hence, one ceases to have a feeling of ownership towards one's actions and believes that the actions happen naturally and the bodily organs are just an instrument for their execution. This lack of ownership for actions coupled with the sense of obligation to others creates a complete disinterest in the mind of the seeker for any form of material or social rewards (Tilak 1915/2000).

Equanimity

According to the Gita, Chapter 2, Verse 14, the senses interact with the material objects of the world and because of these interactions there is perception of happiness or pain in the mind of the person experiencing the sense objects. The perception of happiness or pain leads to desire, which is nothing but a wish to experience again or avoid something that has once been experienced by the senses. This leads to further interactions of the senses with material objects. Thus, even when the object of desire is enjoyed, our desires are not extinguished; instead, the desires grow like a fire on which oil has been poured (Tilak 1915/2000).

One way out of this perpetual cycle of desire is the complete annihilation of all desires by the renunciation of all actions. Another method is to be able to control in one's mind the experience of pain and happiness, i.e., being neutral to the experiences of our senses (Tilak 1915/2000).

According to the Gita, when one does what one has to do, with perfect mental control and after giving up the desire for the result and with a frame of mind that is equal towards pain and happiness, there remains no fear or possibility of experiencing the unhappiness of actions. If one can perform actions with such a spirit, it does not become necessary to give up actions. Hence, the Gita recommends that we keep our organs under control and allow them to perform the various activities, not for a selfish purpose, but without desire, and for the welfare of others (Tilak 1915/2000).

Individuals who believe in the eternal nature of the soul and the inherent divinity of all beings, develop a sense of equanimity or resilience towards all physical and mental disturbances.

The three dimensions of Karma-Yoga are related to the four components of moral development. The first dimension, i.e., duty-orientation is the basis for moral sensitivity as well as moral judgement. A Karma-Yogi, who feels a sense of duty or obligation towards others can

understand the needs and feelings of others. The sense of duty also provides the basis for moral judgement. By empathically responding to the needs of the situation and the time, the Karma-Yogi identifies his or her appropriate duty as the right course of action. The second dimension of Karma-Yoga, indifference to rewards, provides moral motivation, which enables a Karma-Yogi to perform actions selflessly without any expectation of extrinsic or intrinsic rewards. The third dimension of Karma-Yoga, equanimity, enables the Karma-Yogi to stick to the decided moral course of action without being carried away by troubles and temptations in the path of duty and thus it constitutes moral character.

Validation of the Karma-Yoga Construct

Earlier studies have validated the Karma-Yoga construct with each of the four dimensions of moral development.

Moral Sensitivity

Moral sensitivity is the ability to interpret a situation and identify a moral problem. It involves the skills of empathy and role taking with respect to individuals affected by one's actions (Narvaez and Rest 1995). Mulla and Krishnan (2008) validated Karma-Yoga with dimensions of empathy and showed that empathic concern (i.e., other-oriented feelings of sympathy and concern) was related to Karma-Yoga only for individuals who were low on personal distress (i.e., self-oriented feelings of personal anxiety and unease).

Moral Judgement

Moral judgement is the ability to judge which action in a given situation is morally right and which is wrong. At each level of moral judgement, the individual has a different set of assumptions about the world. Kohlberg's theory of moral development is based on the Kantian assumption of an autonomous asocial individual who is the starting point of society. On the other hand, the Hindu Indian culture considers social units and social duties the starting point of society (Shweder et al. 1987). Perhaps for this reason, Indians are found to possess a post-conventional moral code in which interpersonal responsibilities are perceived to be as principled as justice obligations and may be given precedence over justice obligations (Miller and Bersoff 1992). Another illustration of this principle is that Indians are found to be more likely than Americans to be tolerant of breaches of justice due to a person's vulnerability to contextual influences (Bersoff and Miller 1993).

Moral Motivation

Moral motivation is the motivation to select a moral value over other values (Narvaez and Rest 1995). Rokeach (1973) considered terminal values to be of two kinds—those that are self-focused called personal values, and those that are others-focused called social values. Krishnan (2001b) showed that transformational leaders gave higher importance to others-focused or social values like 'a world at peace', 'a world of beauty', 'equality', 'national security', and 'social recognition'. Like terminal values, instrumental values are also of two kinds—those which when violated arouse pangs of conscience or feelings of guilt for wrongdoing called moral values, and those which when violated lead to feelings of shame about personal inadequacy called competence or self-actualization values (Rokeach 1973).

Mulla and Krishnan (2007) validated the dimensions of Karma-Yoga using Rokeach's (1973)

universal values and found that individuals who were rated high on Karma-Yoga showed a distinct terminal value system, which was characterized by a high emphasis on other oriented values like 'a world at peace' as compared to self-oriented values such as 'mature love'. Individuals rated low on Karma-Yoga showed exactly the opposite prioritization of these values. Mulla and Krishnan (2007) found that individuals who scored high on Karma-Yoga rated being 'responsible' as the most important instrumental value. Responsibility means being dependable and reliable. Individuals who are highly duty oriented are likely to be highly responsible and dependable.

Moral Character

Moral character or implementation calls for self-confidence, self-efficacy, perseverance, and tenacity in being able to work around problems and unexpected difficulties in implementing the desired course of action. Implementation includes being able to resist distractions and keeping sight of the final goal (Narvaez and Rest 1995).

Conscientiousness, as defined in Merriam-Webster's Online Dictionary, is an adjective meaning one that is 'governed by or confirming to the dictates of conscience' (i.e., 'the sense of moral goodness or blameworthiness of one's own conduct, intentions, or character together with a feeling of obligation to do right or be good'; Merriam-Webster Online Dictionary 2007). The personality factor of conscientiousness, which is part of the Big-Five Model of personality (Goldberg 1990), comprises the facets of competence, order, dutifulness, achievement striving, self-discipline, and deliberation (Costa and McCrae 1995) and is a good measure of moral character.

Mulla and Krishnan (2006) validated Karma-Yoga using two facets of the personality trait of conscientiousness, viz., dutifulness and achievement striving, using hierarchical regression and a test for moderation. They found that a belief in the basic tenets of Indian philosophy enhanced duty-orientation, and indifference to rewards enhanced life satisfaction. There was moderate support for their hypothesis that dutifulness was more strongly related to Karma-Yoga when achievement striving was low than when it was high.

When taken together, the three existing studies on Karma-Yoga (Mulla and Krishnan 2006, 2007, 2008) validate Karma-Yoga against three dimensions of moral development, viz., moral sensitivity, moral motivation, and moral character. Thus Karma-Yoga shows good potential as an alternative model for moral development in the Indian context.

Based on these studies, the Karma-Yogi comes across as an individual who highly values the welfare of others, is empathic and who can understand the feelings and emotions of others without getting personally ruffled, who makes decisions based on interpersonal responsibilities, and who executes his or her duty without worrying about personal achievements.

Karma-Yoga and Transformational Leadership

James MacGregor Burns (1978: 46) distinguished between transformational and transactional leadership as:

> the ultimate test of moral leadership is its capacity to transcend the claims of the multiplicity of everyday wants and needs and expectations, to respond to the higher levels of moral development, and to relate leadership behavior—its roles, choices, style, commitments—to a set of reasoned, relatively explicit conscious values.

According to Bruce J. Avolio, Burns implied that leaders must have the capacity to transcend their immediate self-interests for the sake of achieving some higher end value (Avolio and Locke 2002). Leaders can be dedicated and committed to the common cause that they share with the followers only when they are driven by a concern for followers' needs rather than their self-interest (Conger and Kanungo 1987; Shamir et al. 1993).

Kanungo and Mendonca (1996) describe the leadership process as involving three stages each driven by a high degree of altruism on the part of the leader. In the first stage of environmental assessment, altruism takes the form of sensitivity to the needs of the followers. In the second state of vision articulation and formation, it is only by taking into account the perspectives of followers, that the leader can arrive at a truly shared vision. In the final stage of vision implementation, the leader sets an example by taking personal risks and self-sacrifice.

A related concept to altruism is that of self-sacrificing behaviour, which is defined as 'the total/partial abandonment, and/or permanent/temporary postponement of personal interests, privileges, or welfare in the (a) division of labor, (b) distribution of rewards, and/ or (c) exercise of power' (Choi and Mai-Dalton 1998). The key difference between the two concepts is that self-sacrificing behaviour is mainly concerned with external behaviour irrespective of the motive of the actor, while an action motivated by altruism may or may not seem to be self-sacrificing to an external observer. Experimental evidence has shown the importance of leader's self-sacrificing behaviour on leadership effectiveness (van Knippenberg and van Knippenberg 2005), followers' attributions of charisma and legitimacy, and followers' intention to reciprocate a leader's

behaviours (Choi and Mai-Dalton 1999). These effects were moderated by the extent to which the leaders were representative of the group (van Knippenberg and van Knippenberg 2005) or the followers' perceptions of the leader's competence (Choi and Mai-Dalton 1999). A comparison of the effects of altruism and self-sacrificing behaviour on perceptions of transformational leadership showed that altruism was a better predictor of transformational leadership than self-sacrifice (Singh and Krishnan 2005a).

Karma-Yoga as duty-orientation and indifference to rewards presupposes an altruistic motive in which the individual is more concerned about being of service to others rather than benefiting one's own person. Indian managers place a high value on the idea of 'doing good for the society', and leading a simple life, and involvement in social activity (Dayal 1999: 36–37). Two of the seven 'unique Indian' sub-dimensions of transformational leadership identified by Singh and Krishnan (2005b) are 'Self-Sacrifice' and 'Giving-Model-of-Motivation'. Both these factors are likely to be related with Karma-Yoga.

Krishnan (2001a) describes four inter-related mechanisms by which the Indian worldview can lead to the emergence of transformational leadership. First, an understanding of the inherent contradictions in life creates a lack of contentment in an individual, which is the starting point of transformation. Second, by understanding that selflessly doing one's duty is the best way out of the apparent contradictions of this world, an individual develops a preference for action over inaction, which is a characteristic of transformational leadership. Third, the awareness of the potentially divine nature of oneself and others inspires faith in onself and in others and thereby provides a conducive belief system for transformation. Finally, knowledge of the ultimate

self-realization (or oneness) as the goal of life provides a universally acceptable ideal state towards which the leader and the followers can strive for.

Past studies measuring the effect of a leader's Karma-Yoga on followers' perceptions of transformational leadership have been mixed. Narayanan and Krishnan (2003: 3) defined Karma-Yoga as 'doing one's duty and not being attached to the outcomes' and developed an eight-item scale for measuring Karma-Yoga. In a study of 105 pairs of managers and subordinates, they found that a leader's Karma-Yoga had no impact on followers' perceptions of transformational leadership. Mehra and Krishnan (2005: 2) defined a manager's *svadharma* (duty) as consisting of 'appropriate role behaviors, including protecting in-group members and favoring them over others, maintaining respect and obedience for superiors, and loving and caring for juniors and dependants'. They developed a scale to measure the *svadharma*-orientation (following one's own dharma or duty) and found that it was significantly related to perceptions of transformational leadership.

Hypothesis 1: The leader's Karma-Yoga will be positively related to transformational leadership.

Cultural values help leaders to distinguish between authentic and pseudo-transformational leadership (Krishnan 2003). Additionally, cultural values may moderate the impact of transformational leadership on follower outcomes (Walumbwa and Lawler 2003). In the Indian context, individuals who believe strongly in Indian philosophy are more likely to perceive the presence of Karma-Yoga in their leaders as being transformational.

Hypothesis 2: The relationship between the leader's Karma-Yoga and followers' perception of transformational leadership will be moderated by the extent of the followers' belief in Indian philosophy such that greater the followers' belief

in Indian philosophy, the greater will be the strength of the relationship between the leader's Karma-Yoga and the followers' perceptions of transformational leadership.

Method

Participants

Data was collected from 459 respondents from two organizations. Both the organizations were in the manufacturing industry related to the automotive sector and formed a part of large diversified business houses having annual turnovers of Rs 8.3 billion and Rs 115 billion, respectively. The respondents were employed in factories and offices located in industrial towns in western and eastern India such as Mumbai, Nasik, Vadodara, Cochin, Kolkata, and Durgapur.

The respondents consisted of 230 managers and 229 subordinates, yielding 205 unique leader-follower pairs. The sample comprised 420 males and 33 females (6 undisclosed) of ages from 22 years to 61 years (median = 39 years) and having work experience ranging from 8 months to 45 years (median = 16 years). The work experience of the respondents with their current organization ranged from 2 months to 40 years (median = 12 years).

Prior to data collection, unique manager-subordinate pairs were identified and a serial number was given to each respondent. During the data collection process, respondents were given a set of matched forms with serial numbers printed. The serial numbers helped identify the pairs for matching during the data analysis.

Measures

For belief in Indian philosophy, we used the Six-Item Scale developed by Mulla and Krishnan

(2006, 2007, 2008). The scale for belief in Indian philosophy contains six items and earlier versions of the scale have shown adequate reliability with Cronbach alphas ranging from 0.66 to 0.70. (Mulla and Krishnan 2006, 2007, 2008). For measuring Karma-Yoga, we used the 18-Item Scale developed by Mulla and Krishnan (ibid.). The scale for Karma-Yoga consists of three sub-scales of six items each, viz., duty-orientation, indifference to rewards, and equanimity. Reliabilities for the duty-orientation sub-scale have been found to be adequate with Cronbach alphas ranging from 0.69 to 0.73 (ibid.). Reliabilities for the indifference to rewards sub-scale have been found to be adequate with Cronbach alphas of about 0.68 (Mulla and Krishnan 2007). The reliability of the equanimity sub-scale had been found to be low (Cronbach alpha = 0.50; Mulla and Krishnan 2007) and hence the items have been modified for the purpose of this study. The respondents were asked to answer the Karma-Yoga Scale by indicating the degree of their agreement or disagreement to the 18 items on a five-point scale (0 = strongly disagree; 1 = disagree; 2 = neither agree nor disagree; 3 = agree; 4 = strongly agree).

The short version of the Multifactor Leadership Questionnaire (MLQ) of Bass and Avolio (1995) was used to measure transformational leadership as perceived by the followers. Five factors of transformational leadership—idealized influence (attributed), idealized influence (behaviour), inspirational motivation, intellectual stimulation, and individualized consideration—were measured through four items per factor. The respondents were asked to answer the MLQ by judging how frequently their manager displayed the behaviours described in the questionnaire, using a five-point scale (0 = not at all; 1 = once in a while; 2 = sometimes; 3 = fairly often; 4 = frequently, if not always).

Results

The reliability of the scale for beliefs in Indian philosophy was found to be suitable (Cronbach alpha = 0.69). The reliabilities for the scales measuring the dimensions of Karma-Yoga, viz., duty-orientation, indifference to rewards, and equanimity were 0.58, 0.62, and 0.43, respectively.

The scores on the five dimensions of transformational leadership, viz., idealized influence (attributed), idealized influence (behaviour), inspirational motivation, intellectual stimulation, and individualized consideration were calculated by averaging the scores on each of the items corresponding to the dimensions. The Cronbach alphas of each of these dimensions were 0.83, 0.75, 0.82, 0.70, and 0.72, respectively. The score for transformational leadership was calculated by taking a simple average of the five dimensions. The means, standard deviations, and inter-correlations for all the variables are given in Table 1.

The relationship between the dimensions of Karma-Yoga and the dimensions of transformational leadership was tested using regression analysis. The impact of beliefs in Indian philosophy and the dimensions of Karma-Yoga were tested on each of the five dimensions of transformational leadership in turn. The output of the regression analysis is given in Table 2. The regression analysis shows that only one of the factors of Karma-Yoga, viz., duty-orientation affects three of the dimensions of transformational leadership, viz., charisma (attributed), charisma (behaviour), and inspirational motivation.

To study the moderating effect of a follower's belief in Indian philosophy on the relationship between a leader's Karma-Yoga and transformational leadership, the values of a follower's belief in Indian philosophy and a leader's duty-orientation were centered by subtracting the mean from each

Table 1
Means, Standard Deviations, and Inter-correlations amongst Beliefs in Indian Philosophy,
Karma-Yoga, and Dimensions of Transformational Leadership (N varies from 201 to 203)

	M	SD	1	2	3	4	5	6	7	8	9
1. Belief in Indian Philosophy	2.84	0.68	(0.69)								
2. Duty-orientation	3.33	0.43	0.26**	(0.58)							
3. Indifference to rewards	2.63	0.50	0.16*	0.16*	(0.62)						
4. Equanimity	2.21	0.62	0.17*	0.12†	0.19**	(0.43)					
5. Charisma (attributed)	2.72	0.91	−0.04	0.13†	0.11†	−0.06	(0.83)				
6. Charisma (behaviour)	2.68	0.79	−0.01	0.12†	0.04	0.05	0.69**	(0.75)			
7. Inspirational motivation	2.83	0.82	−0.05	0.11†	0.00	0.01	0.77**	0.71**	(0.82)		
8. Intellectual stimulation	2.71	0.74	−0.06	0.02	−0.01	−0.00	0.69**	0.63**	0.70**	(0.70)	
9. Individualized consideration	2.53	0.86	−0.08	−0.02	0.11	0.03	0.69**	0.59**	0.62**	0.65**	(0.72)

Notes: †p < 0.10
    *p < 0.05
    **p < 0.001
    Figures in brackets along the diagonal are Cronbach alphas.

Table 2
Summary of Regression Analysis: Impact of Leader's Beliefs in Indian Philosophy and Karma-Yoga on the Dimensions of Transformational Leadership (N = 201)

Dependent Variable	Independent Variable	B	SE B	β
Charisma (attributed) (*Adj. R^2 = 0.01, F = 3.76**)	Duty-orientation (leader)	0.28	0.14	0.13*
Charisma (behaviour) (*Adj. R^2 = 0.00, F = 2.98*†)	Duty-orientation (leader)	0.21	0.12	0.12†
Inspirational motivation (*Adj. R^2 = 0.00, F = 2.81*†)	Duty-orientation (leader)	0.22	0.13	0.11†

Notes: †$p < 0.10$
   *$p < 0.05$.

value and the centered values of both the variables were multiplied to get the interaction term. The dependent variable, i.e., leadership, was regressed on a leader's duty-orientation, a follower's belief in Indian philosophy and the interaction term simultaneously. The output of the regression is shown in Table 3. Of the three regressions, the interaction term was significant only when inspirational motivation was the dependent variable. The moderating role of a follower's beliefs in Indian philosophy on the relationship between a leader's duty-orientation and the two aspects of charisma was tested by dividing the entire sample of leader–follower pairs into two halves based on the value of the subordinate's beliefs in Indian philosophy. A leader's duty-orientation was more strongly related to charisma (attributed; β = 0.15, p = 0.11) when a follower's belief in Indian philosophy was high as compared to the relationship between a leader's duty-orientation and charisma

(attributed; β = 0.12, p = 0.21) when a follower's belief in Indian philosophy was low. Similarly, a leader's duty-orientation was more strongly related to charisma (behaviour; β = 0.14, p = 0.16) when a follower's belief in Indian philosophy was high as compared to the relationship between a leader's duty-orientation and charisma (behaviour; β = 0.10, p = 0.29) when a follower's belief in Indian philosophy was low. Thus, hypothesis 2 was partially supported.

Limitations of this Study

This research attempts to study the impact of the leader's moral development (measured as Karma-Yoga) on transformational leadership. Despite analyzing data from a rather large sample of 200 leader–follower pairs, the results are not very strong. The reasons for these rather weak findings can be broadly categorized under three

Table 3
Summary of Regression Analysis: Impact of Follower's Beliefs in Indian Philosophy and Karma-Yoga on the dimensions of Transformational Leadership (N = 201)

Dependent Variable	Independent Variable	B	SEB	β
Inspirational motivation (*Adj. R^2 = 0.02, F = 3.04**)	Duty-orientation (leader)	0.21	0.13	0.11†
	Belief in Indian philosophy (follower)	0.01	0.09	0.01
	Duty-orientation (leader) × belief in Indian philosophy (follower)	0.02	0.01	0.16*

Notes: †$p < 0.10$
   *$p < 0.05$.

headings, viz., improper sample selection, improper operationalization and measurement of constructs, and questionnaire administration.

Sample Selection

A limitation of the sample studied was the limited fluency of the respondents with the language of the questionnaire. During questionnaire administration, we found that the respondents had a number of queries regarding the meaning of words used in the questionnaire. This limitation can be overcome in two ways—by using indigenously developed measures in the local language or by using an alternative research methodology (for example, case study or experiment).

Operationalization and Measurement of Constructs

The two new constructs introduced in this research were beliefs in Indian philosophy and Karma-Yoga. The reliabilities of both these constructs were found to be less than satisfactory. Reliabilities of the dimensions of Karma-Yoga have been highly inconsistent across studies (Mulla and Krishnan 2006, 2007, 2008). Hence, alternative approaches to conceptualization and measurement of these constructs must be explored.

Questionnaire Administration

The questionnaire was administered to a sample drawn from two large organizations. At each of the locations, we used the help of the human resources managers to select the teams and organize the infrastructure for the administration of the questionnaire. In all cases, questionnaire administration was done in the company premises, often both leader and follower of the same leader–follower pair came together for answering the questionnaire, and they often sat next to each other while responding to the questionnaire. In order to communicate that the study was an independent research and the responses would be kept confidential, the respondents were made to insert the completed questionnaires into a brown paper envelope, which was then sealed with glue. In addition, prior to filling up the questionnaire, the respondents were urged to be honest with their responses and they were assured that only aggregate data would be shared with their organizations. Despite these precautions, it is likely that the respondents tried to project their leaders more favourably than they actually were. As a result of this, scores on transformational leadership were very high (average scores were 2.70 on a scale of 0 to 4) and the distribution was negatively skewed (skewness = –0.78).

Discussion

The findings indicate that amongst the three dimensions of Karma-Yoga, the relationship of belief in Indian philosophy is strongest with duty-orientation. Sense of duty or obligation towards a larger collective constitutes the core of Karma-Yoga. The other two dimensions (indifference to rewards and equanimity) are perhaps consequences of duty orientation or Karma-Yoga, which manifest over a period. For example, if A borrows money from B, then A feels a sense of obligation (duty-orientation). Later when A is making efforts to return the borrowed amount back to B, A will not be affected by any pain or pleasure that is encountered in the process of repayment (equanimity). Finally, when A has repaid B, then A will not expect to be praised or rewarded by B (indifference to rewards) since whatever was done by A was out of a sense of duty or obligation

towards B. In other words, duty-orientation of Karma-Yoga will enhance indifference to rewards and equanimity after some time. These relationships can be empirically tested through longitudinal studies or experiments.

Of the three dimensions of Karma-Yoga, the leader's duty-orientation had a significant impact on a follower's perception of charisma (attributed). These findings are contradictory to the findings of Narayanan and Krishnan (2003) and somewhat similar to the findings of Kejriwal and Krishnan (2004). The relationship between a leader's duty-orientation and a follower's perception of charisma (attributed) became stronger when the follower had a strong belief in Indian philosophy. Thus, followers with a stronger belief in Indian philosophy see Karma-Yoga or duty-orientation of a person as an attribute of transformational leadership.

When one looks at the cultural factors influencing leadership in India, one finds that there are two divergent views. One view focuses on the idealized values as they are in the Indian religious texts like the Upanishads and the Gita and shows how the Indian worldview is ideally suited for the emergence of transformational leaders (Krishnan 2001a). The other view is that, in order to study the cultural influence on Indian leadership, one must study the current social environment in India as it is including all the historical influences and political realities, which have made India what it is today. For example, Sinha (1997) defined the organizational culture in India as a mix of traditionally idealized values and operant values formed because of the intermingling of the idealized values and the social realities of India. The findings from this study strongly support Krishnan's (2001a) view that the Indian worldview is indeed conducive to the emergence of transformational leadership.

The results of this study indicate that in the Indian context, leaders who are high on Karma-Yoga are likely to be perceived as more transformational by their followers. These findings are consistent with Singh and Krishnan's (2005b) findings that facets like 'simple-living-high-thinking', 'self-sacrifice', and 'giving model of motivation' are key components of Indian transformational leadership. Our findings also support the argument that the presence of altruistic motives (in the form of duty-orientation) is the distinguishing factor of a transformational leader (Singh and Krishnan 2005a).

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