EFFECTS OF SELF-SACRIFICE AND ALTRUISM ON TRANSFORMATIONAL LEADERSHIP, COLLECTIVE IDENTITY, AND PERFORMANCE

Organizations today are using many resources for leadership development programs to gain competitive advantages. Studies have established beyond doubt that transformational leadership leads to better organizational performance (Waldman, Ramirez, House, & Puranam, 2001) and empowers organizational members to perform beyond expectations (Bass & Avolio, 1993). Transformational leadership is especially important for a dynamic market environment. Choi and Mai-Dalton (1998) argued that one of the ways of influencing used by transformational leaders involves self-sacrificial behaviors. This leads to enhanced perception of their transformational qualities. In this paper, self-sacrificial behavior has been operationalized based on the definition given by Choi & Mai-Dalton (1998; 1999). This paper also provides strong support for the claim by Burns (1978) that transformational leaders are high on moral convictions and are driven by broader values. We identified two antecedents of transformational leadership and tested the relationship of transformational leadership with two important follower centric outcomes. The findings indicate that altruism and self-sacrifice does make a leader transformational, which in turn has strong significant relationship with follower collective identity and unit performance.

A significant finding of this study is that self-sacrifice does not affect transformational leadership directly, and that its effect is fully mediated by altruism. This finding adds to the body of knowledge by showing that, though, self-sacrifice does have a relationship with transformational leadership, its effect is fully subsumed by the presence by altruism. We can safely deduce from this study that it is the motive (as measured through altruism), which makes the followers consider their supervisors as transformational and not simply the behavioral components of self-sacrifice per se. The main reason for this is that altruism is more about the whole personality of the leader, as opposed to self-sacrifice, which focuses on just the personal giving-up aspect of the leader. This study supports the claim by Kanungo & Mendonca (1996) that a transformational leader is essentially a person with moral convictions and values. Mere giving-up of personal benefits, without the moral intention behind doing such acts will make managers appear transformational only to the extent that they will also be seen as altruistic.

With respect to the two outcome variables, though the relationships between altruism and the two outcome variables were seen to be positively significant, we showed that the effect was taking place only through transformational leadership acting as a mediating variable. This study provides further support to the earlier theories (Shamir, House & Arthur, 1993), which say that transformational leadership leads to enhanced collective identity among the followers. When leaders are modeling the importance of cooperative behaviors over personal interests, through helping behaviors and personal sacrifices, they are likely to be seen as more transformational, thereby promoting similar behaviors among the followers and bringing about a change in the salience of collective self-concept. Under transformational leadership, followers’ expectations of successful unit performance are an essential requirement as the goals and visions of transformational leaders are often lofty and challenging. The study shows that followers of transformational leaders actually have feelings of belonging to effective, high-performing organizational units.