HOW TO IMPROVE EMPLOYEE MOTIVATION AND GROUP PERFORMANCE THROUGH LEADERSHIP – CONCEPTUAL MODEL

Ţebeian Adriana Elena
West University, Faculty of Economics and Business Administration

We live times of intense change, due to fast technological development, when information and knowledge are certain factors of power. Organizations today must not underestimate the importance of capable employees, owners of these great factors like information and knowledge. The key to success, as many organizations have shown, is, of course a mix of attributes, but one of much importance stands in the quality of employees and their performance. How to motivate and keep such employees is a real challenge in the actual business world. Employee fluctuation is a big risk, because it brings many losses: loss of expertise, of know-how, of time, it breaks relationships and teams. One solution to this problem is creating a good and attractive environment, so that employees are motivated enough to bring up the best in them and rise their performance to a high level.

The main objective of this study is to present a new approach in motivating employees and raising their performance. In this approach, the leader is the main pawn, the generator and sustainer of a healthy environment. By reviewing the literature and the most recent works in this domain, two styles of leadership come into focus: transformational and servant leadership. Both are relatively new concepts, with common but also different attributes, and both having the same final goal: performance, but through a different approach.

Based on a vast literature research, the conceptual model was built, considering the main attributes of the two leadership styles, their impact on motivational factors, their influence on job satisfaction and ultimately on team performance.

The intermediary results of the research sustain the conceptual framework and main hypothesis of the study.

One important contribution of this research is introducing elements of servant leadership together with transformational leadership in the empirical research and also creating an overall conceptual framework which can be applied into practical context, in order to help organizations improve their performance through nonconventional methods.

Keywords. servant leadership, transformational leadership, motivation, team performance, job satisfaction.

Code JEL. M 10

Introduction

Any organization that aims at staying on the market in the current environment should not underestimate the importance of capable, well-trained staff with proven skills and capabilities. The first element of the present study is the leadership and its influence on employees: how different leadership styles can influence employee behaviour.

The leadership has seen many dimensions over time, theories have complemented each other, reality and practice have brought about new elements and opened new lines of research. Perhaps a clear and unanimous definition, a method or theory will never be widely accepted. Nowadays leadership must value teamwork, recognize the importance of diversity, know how to share power, knowledge, success and failure with subordinates. Power is an ingredient of leadership, which skillfully used and shared with subordinates may bring about unexpectedly good results. Employees feel valued and important, self-confidence may increase as a result, individual and group performance levels may be higher. Motivation through leadership may be the ace in the sleeve, now that studies have shown that people are essentially different and traditional methods of motivation do not work the same in each individual. The present study advances an approach
that makes the link between the leadership, as a pawn generating and supporting a high level of employee job satisfaction, and the application of a continuous motivational model. Consequently, the present study aims at analysing the influence that a leadership style that is appropriate for the organizational cultural environment may have in solving, or at least in improving the above mentioned issues. The leaders’ involvement in the implementation and support of the motivational model proposed in the present research may lead to increased job satisfaction of employees. Starting from the assumption that there is a bidirectional link between job satisfaction and the performance achieved, the present study focuses on increasing performance at the level of the group as a final result.

**Literature review**

*Transformational Leadership*

As Bass call it, transformational leadership is a "new paradigm" (Bass, 1998 in Zlate 2007:234). It is ‘a new approach to management’, and the roots of this new concept date back to 1978, when Burns used the term for the first time: Leadership. Unlike transactional leadership, which was based on the exchange between leader and subordinate, transformational leadership goes one step further, turning that profitable exchange into one with a strong emotional connotation. Special attention is paid to the subordinates' emotional attachment to the organization, to their identification with their leaders, to increasing motivational resources, to sharing the vision of the leader and the organization as a whole. Emotional involvement is the key factor in choosing this type of leadership in order to build the model of "management" of the work team, but not the only one, as it will result from the following paragraphs.

Transformational leadership, as initiated and developed by MacGregor Burns (1978) and Bernard M. Bass (1985), becomes more and more useful within the organizational framework. Researcher Yukl (1998) stated that transformational leadership is first and foremost a process of engagement in achieving joint objectives of the organization and only secondly a process of encouraging the disciples to meet them (Stone, Russell Patterson, 2004: 350). In his book "Leadership and Performance Beyond Expectations", Bass (1985) transferred the concept of transformational leadership into the organizational context and examined the characteristics of transformational leadership, both public and private organizations and emphasised four transformational leadership factors: charisma or idealized influence, inspirational motivation, intellectual stimulation, individualized consideration towards disciples. (Avolio, 1991 in Stone, Russell Patterson, 2004 p.350)

*Servant Leadership*

Motivational model of team performance
The "motivational capital" of an individual has had impressive dynamics over time, therefore, organizational-managerial psychology must be concerned with getting to know the individual as much as possible (…) and with refuting a series of misconceptions existing in organizational environments. (Zlate, 2007 :389).
In their article published in the Harvard Business Review, 2008, Nitin Nohria, Boris Groysberg and Linda Lee-eling put forth a new model of employee motivation starting from Maslow’s principles and valuing new discoveries in the neuropsychological fields. Having the advantage of knowledge and technology, nowadays researchers may ground their studies on concrete results, scientifically proven, and not only on objective observation, no matter how documented it may be.
The four drives or needs identified by Nitin Nohria, Boris Groysberg and Linda Lee-eling are interconnected at the brain level, and the level of fulfilment of each of them directly influences emotions, therefore behaviour as well.
It is scientifically proven that transformational leadership coordinates organization members in order to accomplish the vision, beliefs, values and skills through team goals and a positive performance. Podsakoff et al. (1990) (in Chen-Tsang (Simon) Tsai, Ching-Shu Su, 2011, p.1918) have identified the following dimensions of transformational leadership as the most representative in terms of employee satisfaction: "identification and accentuation of vision", "providing an appropriate model", “encouraging and accepting team goals", "high levels of performance", "individualized support", "intellectual stimulation".
In 2008, Mayer, Bardes and Piccolo conducted a study that would reveal the influence that servant leadership may have on job satisfaction as a consequence of meeting the employees’ needs and perceptions concerning the fairness of organizational systems. Drawing on theories of satisfaction, such as those of Herzberg (1959), Hackman and Oldham (1976), the authors identify three essential needs: "autonomy", "competence", "networking". Because of the fact that organizational performance is achieved by obtaining the advantages of each member, job satisfaction is also achieved. (Chen-Tsang (Simon) Tsai, Ching-Shu Su, 2011, p.1918).
It may be concluded from the discussion above that the more satisfied a team member is, the more likely is that he will exceed the previously set performance standards and the better he performs, the more professionally satisfied he will be.

Methodology
The conceptual model of scientific research and research hypotheses
Literature review and identification of the real problems were the basis for addressing research hypotheses and for building the conceptual model, listed below.
- The leadership style has a direct, positive and statistically significant effect on the subordinates’ motivation.
- There is a direct, positive and statistically significant relationship between the motivational model and job satisfaction at the individual level.
- There is a bidirectional and statistically significant relationship between job satisfaction at the individual level, and group performance.
- There is a direct, positive and statistically significant relationship between the subordinates’ satisfaction and ‘hard’ performance.
- Job satisfaction at the level of the individual mediates the relationship the subordinates’ motivation – ‘soft’ group performance.
The present study aims at analysing the influence that a leadership style that is appropriate for the organizational cultural environment may have on group performance. In order for the study to reach an empirical level, the present scientific approach started from the already existing theoretical framework by systematically and critically analysing specialized literature. Quantitative research is used due to the distinctiveness of the objectives and methods. Qualitative research focuses on in-depth research rather than on an in-width one. It is rather intensive than extensive – the generalization problem. (Anne-Marie Ambert in Chelcea, 2007:79). As a measuring method, quantitative research calls for methodological monism, which involves explaining phenomena / events in relation to their causes, and individual causes conform to general laws.

In order to have a comprehensive overview, starting from the identification of the research scope - increasing group performance and reducing turnover - theoretical investigations have been conducted, analysing possible factors of influence. Therefore the documentary study helped narrow down the area of analysis to the following main factors: leadership, ways of motivating employees, job satisfaction and group performance. After having defined and clarified the concepts under discussion, the exploratory research supported pursuing the stated objectives and research hypotheses in order to build a conceptual model subject to further analysis using quantitative research and using the sample survey.

Results – pilot study

What was aimed at along the whole scientific approach was the continuity of ideas and the identification of those variables that bear relevant implications on the research issues. When speaking of leadership, at the empirical level, one may not consider a pure style based on only one concept defined theoretically, and especially when considering a larger number of leaders for the analytical approach. For this reason, and adding the characteristics defined theoretically, three similar but with distinguishing characteristics leadership styles have been selected in order to characterize current management styles in multinational companies in Romania. A questionnaire was submitted to twenty employees of a multinational company, out of which only fourteen were validated.

The preliminary data that were obtained come in support of the theoretical aspects that had already been highlighted, the two similar leadership styles (Servant leadership and transformational leadership. Hence one may draw the conclusion that either the item needs further explaining because it may not have been fully understood by respondents, or that the
preliminary results are not representative in terms of positioning the servant leadership style in a centralizing scale.

A drawback of the research approach is the lack of an analysis of the Romanian cultural environment. Studies such as those of Hofstede, Trompenaars and Globe are seen as losing relevance when applying the instrument within multinational companies in a period of great economic change with a globalization effect that cannot be neglected. Obviously one may not speak anymore about a pure national or organizational culture. According to the statistical interpretation one may notice that, concerning the motivation construct, the highest percentage was held by "networking" - 80% and the lowest by "having" - 72%. Consequently, one may draw the conclusion that in order to achieve a higher degree of employee motivation, leaders must pay more attention to this stimulus. Promotion opportunities represent the weak element concerning "job satisfaction ". The highest score was held by "the workplace in general" - 88% of the respondents being satisfied with their workplace. The last element analysed with the help of the questionnaire is group performance, subjectively identified as the level of cohesion or the intent to leave the group. It highlighted the prevalence of a strong sense of belonging to the group, only 23% of respondents declared themselves neutral in this respect. Together with the feeling of belonging to the group as a factor of cohesion, the intent to leave the group was also analysed. As it can be seen from the charts below, whenever there was a very strong feeling of belonging to the group (31% of respondents), the intent to leave the team is totally absent. 100% of the 31% of respondents with a very strong feeling of belonging to the group also represent a 31% of the sample.

One may notice that as the intensity of feeling of belonging to the group decreases, the percentage of those willing to leave the team is rising.

**Conclusion**

In order for the leadership theory to continue to exist, it must be admitted and accepted that the leadership is a complex process that interacts with behavioral, relational and situational elements. The leadership does not concern only the individual but also resides at the individual, dyadic, group and organizational levels. The leadership is promoted at the top of the hierarchical pyramid of the organization and from the bottom towards the top. The leadership motivates both intrinsically by improving expectations, and extrinsically by improving reward systems. (D. Van Seters, R. Field: 2007). Motivating employees is an extensively researched topic. If the first studies were based on the mere observation of the human behavior, the evolution of science in the field reveals new facets that are worth of consideration and application. Job satisfaction is brought about by the attitude that employees have towards work as such and by the rest of the elements involved in everyday life. There is an obviously close interdependence between the degree of satisfaction and the motivation of the employees, the two having a bidirectional connection between them. Group/team performance is the expected outcome in any organization, irrespective of specificity of the activity.

**Acknowledgement**

This article is a result of the project „Doctoral Programme in Economics at European Knowledge Standards (DOESEC)". This project is co-funded by the European Social Fund through The Sectorial Operational Programme for Human Resources Development 2007-2013, coordinated by The Bucharest Academy of Economic Studies in partnership with West University of Timisoara
Bibliography

Articles:
2. Dirk van Dierendonck, Servant leadership: a review and synthesis, Journal of Management Online First, published on September 2nd 2010, Sage Publication

Books: