

# Charismatic Leadership and its Influence

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**Abstract.** With the acceleration of China's economic transformation, charismatic leadership has aroused the research interest of many scholars and produced rich research fruits. On the basis of literature review at home and abroad, this paper firstly analyzes and summarizes the connotation and structural dimensions of charismatic leadership, and then discusses the antecedent variables and potential influence of charismatic leadership. On this basis, we put forward the future research direction of charismatic leadership.

**Keywords:** Charismatic leadership, psychological security, job performance.

## 1. Introduction

With the coming of the 21st century, many enterprises are faced with such problems as global competition, secondary entrepreneurship and increasing uncertainty of the external environment, so all walks of life are constantly taking measures to strengthen their comprehensive competitiveness, and begin to pay attention to the role of leadership in the development and construction of organizations. Charismatic leadership, on the other hand, has received less attention and is not well received by Chinese researchers, perhaps because China is a highly collectivist society and does not tend to regard personal charisma as a key trait in the growth of entrepreneurs. The effectiveness of charismatic leadership seems to be more controversial than other leadership styles. It has become an urgent problem for Chinese researchers to deeply understand the connotation of charismatic leadership and how to reasonably use it.

## 2. The Connotation of Charismatic Leadership

The word "charm" comes from the Greek and originally meant "grace from heaven." In the 1920s, the German sociologist weber proposed three sources of authority: traditional authority, legal-rational authority and charismatic authority, which introduced the term into the field of sociology. According to weber, "charm" is the natural attraction, appeal and influence of a leader to his subordinates. It is based on the love for a person's transcendental, heroic or exemplary qualities and the authority of the normative forms or orders he reveals or issues. This can be regarded as the origin of the theory of charismatic leadership.

## 3. The Influence Mechanism of Charismatic Leadership

### 3.1 The Influence Mechanism of Charismatic Leadership on Group Level

On the basis of literature review, liu huiqin (2007) issued questionnaires to a total of 607 teachers from 79 subject teams in Chinese universities and colleges to verify their hypothesized model of charismatic leadership on team innovation performance. Based on literature review and theoretical analysis, liu huiqin et al. put forward the following four hypotheses about charismatic leadership: charismatic leadership is positively correlated with team innovation ability; Charismatic leadership has positive influence on team innovation behavior; Charismatic leadership is positively related to the atmosphere of team innovation[1]. There is a positive relationship between charismatic leadership and team innovation climate. The empirical study by structural equation shows that the direct effect of charismatic leadership and charismatic leadership behavior on team innovation performance is not significant, but its indirect effect is significant through the mediating effect of team innovation

atmosphere. In addition, the most innovative conclusion of this study is that the influence of charismatic leadership is not necessarily lower than that of charismatic leadership, at least in the organizational context of colleges and universities, the overall effect of charismatic leadership on team innovation performance is better than that of leadership.

More and more domestic scholars began to use different mediating variables to study the influence mechanism of charismatic leadership and group level. These researches based on the Chinese context have enriched the theory of charismatic leadership in China. For example, Zhang zhijie (2011) took team cohesion as an intermediary variable to discuss the relationship between charismatic leadership and team performance, and concluded through empirical research that team cohesion played a completely mediating role in the relationship between charismatic leadership and team performance. Zhang weiming (2011) introduced the intermediary variable of subordinates' trust to discuss the relationship between charismatic leadership and team innovation performance, and concluded that subordinates' trust played a complete intermediary role between them. Luo jinlian (2014) confirmed through empirical research that charismatic leadership has a significant positive impact on team creativity, and collective efficacy and team introspection play a complete mediating role between them, while environmental dynamics plays a moderating role.

### **3.2 The Influence Mechanism of Charismatic Leadership on Individual Level**

Zhang pengcheng, Liu wenxing and Liao jianqiao (2011) explored the mediating mechanism and situational factors between charismatic leadership and employee creativity in the context of Chinese culture through a questionnaire survey of 196 pairs of direct leaders and employees. Firstly, from the perspective of charismatic leadership, zhang pengcheng believe that there is a positive correlation between charismatic leadership and employee creativity[2]. It is because charismatic leaders inspire their subordinates to deepen their understanding of goals and their recognition of the meaning of their work through vision stimulation, so as to stimulate their enthusiasm for work, which is an important condition for triggering employee innovation. Charismatic leadership of abnormal behavior to break the existing order, use has been surprising ways to achieve the goal, and studies have shown that when the leader is full of creativity, inspire employees more novel ideas, so according to the above reason proposed charismatic leadership and employee creativity was positively related assumptions.

Dong linping (2008) survey on employees in Chinese enterprises confirmed that charismatic leadership can promote employees' positive psychological tendency. Finally, a positive correlation between charismatic leadership and psychological security is proposed[3]. Finally, through theoretical analysis, they conclude that charismatic leadership has predictive effect on knowledge sharing, and thus propose that there is a positive correlation between charismatic leadership and employees' knowledge sharing behavior. The most innovative part of their research lies in the introduction of social interaction mechanism by zhang pengcheng based on the Chinese cultural background, to investigate the mechanism of employee individualism, collectivism and charismatic leadership.

### **3.3 The Influence Mechanism of Charismatic Leadership on Organizational Level**

As for the organization, there are two inconsistent conclusions in foreign studies: some scholars believe that charismatic leadership can directly or indirectly have a positive impact on organizational performance. For example, Flynn (2004) found that stocks of charismatic leaders are more favored by investors. However, other scholars believe that there is no correlation between charismatic leadership and organizational performance. For example, Agle (2016) believes that even if the external environment is uncertain and strengthened, there is no positive correlation between charismatic leadership style and organization[4]. However, the research on the influence mechanism of organizational level by domestic scholars has just started, and the influence mechanism of charismatic leadership and organizational performance in the new environment of China is still in the exploration stage.

By integrating the perspective of charismatic leadership and organizational legitimacy, du yunzhou and li maomao (2012) introduced organizational legitimacy, an intermediary variable, to explore the

impact of charismatic leadership on the performance of new enterprises. First of all, there are many empirical studies in China which have confirmed that the influence of charismatic leadership is positive. Du yunzhou (2008) verified the positive correlation between legitimacy and sme performance by integrating the perspective of legitimacy and entrepreneurial orientation theory. Deng xin (2008) found in his empirical study that practical legitimacy, moral legitimacy and cognitive legitimacy had significant influences on the short-term and long-term performance of organizations. Therefore, the two scholars introduced the intermediary variable of organizational legitimacy and proposed the following hypothesis: charismatic leadership of new enterprises positively affects the level of organizational legitimacy of new enterprises; Organizational legitimacy plays an intermediary role between charismatic leadership and new enterprise performance.

The two scholars introduced the intermediary variable of organizational legitimacy and put forward the following hypotheses: charismatic leadership of new enterprises positively influences the level of organizational legitimacy of new enterprises; Organizational legitimacy plays an intermediary role between charismatic leadership and new enterprise performance. Finally, the researcher issued a "new enterprise growth questionnaire" to the senior managers of about 400 new enterprises through a data company, and verified the hypothesis through empirical research[5]. The following conclusions were obtained: in the process of China's economic transformation, charismatic leadership has a positive effect on the performance of new enterprises in China; charismatic leadership has a positive impact on the legitimacy of the new enterprise organization, from the theoretical and empirical aspects to make up for the gap between the two at home and abroad; organizational legitimacy plays a complete intermediary role in the relationship between charismatic leadership and new enterprise performance.

#### **4. Summary and Prospect**

Delve into the influence of charismatic leadership mechanism, in the role and influence of charismatic leadership, existing research is mainly about the charismatic leadership behavior on organizational citizenship behavior, organizational commitment and employee performance, the influence of the impact mechanism of charismatic leadership also have certain research, but the research is not enough, the future should do more in-depth exploration, such as further study on the innovation of charismatic leadership to subordinate behavior, the influence of charismatic leadership whether had the characteristics of innovation, the innovation of the charismatic leaders how to influence the subordinate behavior or organizational innovation atmosphere, which variables in regulating effect or mediation effect.

At present, China is in the period of economic transformation, and the leadership pattern also shows a trend of diversification, while the personalized and charismatic leadership is increasing. For example, jack ma, who is known as the "business super man", regards product launch as a personal speech show of Steve jobs. However, in the management practice of many enterprises, we often see such a situation: the charisma of the leader can indeed motivate the staff to work, but later the grand blueprint of the leader is often stranded. If the leader can make use of personal charm to promote the psychological security of employees and make them have a sense of psychological dependence on the leader, then it can further stimulate employees' spontaneous learning and communication and other organizational citizenship behavior, which is more conducive to the formation of new work ideas.

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