Review

Genuine leadership and the global financial crisis

Franck Renand

Sultan Qaboos University, College of Commerce and Economics, Department of Management, P.O. Box 50, Muscat 123 Sultanate of Oman.

Since the primitive era, mankind is facing repeated crises and wars at increasing levels. One of the main reason might be a continuous misunderstanding of the leaders' activities and goals. For instance the 2007 Global Financial Crisis was the result of high risk lending, failure of regulators, inflated credit rating and investment bank abuses. Hopefully, contemporary researches focus on the behaviors that constitute effective leadership. Accordingly, this article suggests a new model called "Genuine Leadership". This approach of leadership is supposed to be an antidote to crisis arising in a western context. The suggested model is based on three main components: Leader's activities, Leaders' tool box and Leaders' universal goal.

Key words: Crisis management, leadership styles, transformational, transactional, servant, spiritual, authentic.

INTRODUCTION

Since the primitive era, humanity has been faced with repeated crises, violent behaviors, wars, abuses, and discriminations of any kinds which may result from a misunderstanding of the leadership role. For Burns (1978), leadership is one of the most observed but the least understood phenomena on earth. Actually "The current practice of leadership does not appear to solve any of the major issues facing us today. Differences are still approached by negative conflict, often leading to war which creates global anxiety,…humanitarian tragedies of today such as poverty, starvation, preventable diseases, and environmental destruction…Indeed, it can be argued that current practices of leadership are accelerating these detrimental impacts and that this intolerance is threatening our planet as a whole and all its life forms including human life itself…leaders are still, centuries on, reverting to the same methods that have been employed throughout history…" (Burke, 2006, p.14).

Indeed, the Global Financial Crisis which was visible before 2007 is one of the worst and long-lasting economic crises. It was the result of complex policies which stimulated easy home ownership and access to loans for subprime borrowers mainly based on housing price speculation. Furthermore, questionable trading practices of both buyers and sellers coupled crisis (Simkovic, 2009, p.253). Actually a methodical study identified four main causative factors: high risk lending, failure of regulators, inflated credit rating and investment bank abuses (United State Senate Report, 2011). And for researchers, distrust of the enacted values of elected leaders are obvious manifestations of the current disaster (Offermann et al., 2001). As a result the US is suffering from a crisis of leadership (Rich, 2012). with compensations that prioritize short-term deal from banks and insurance companies have deepened the The US financial disaster also contributed to the Europe debt crisis and the evaporation of liquidity (Williams, 2012). "Optimism remains strong, however, as every day we

E-mail: franck@squ.edu.om. Tel: +968 24141111. Fax: +968 24413391.

learn more and more about this broad phenomenon termed leadership..: it matters in a fundamental way to the human condition" (Newton, 2009, p. 129). Additionally, scholars argued that "If business education is to be a form of professional learning, then it must also engage the student toward the common good and human development (More and Ekaterina, 2013, p. 19; Naughton et al., 2008, p. 9). Hopefully, "In contemporary research, the focus is on an exploration of the behaviors that constitute effective leadership" (Joqulu, 2010, p. 706).

This overview suggests a real need for changes in the leadership approach and Ciulla (1998) argued when definitions change there is a paradigm shift. The vital question in leadership study is not "what leadership is" but "what a good leadership is" and "how to develop it". Accordingly, the purpose of this article is to explore a new kind of leadership named "Genuine Leadership". This new approach aims to find an antidote to crises in the western context. The first section presents a literature review on leadership followed by crises leadership. The section discusses "Genuine leadership" and then presents the base for a new model. Finally the article concludes with limitations and further research.

LITERATURE REVIEW

Leadership complexity

Scholars widely confirm that leadership is one of the most researched areas within the field of organizational studies but the least understood (Burns, 1978; Yukl et al., 2002). "Hundreds of books, dedicated journals, conferences, theses…but the fact is that not even something as fundamental as an authoritative definition of leadership yet exists…Part of the complexity facing leadership research is that leadership actually is not about a particular individual/leader at all. Leadership can emerge at different levels of an organization; is materially different in different cultural settings; involves the entire facet of those who follow; and a multitude of different goals and motivations that bring leadership to the fore "(Newton, 2009, pp. 129-130). Classically, leaders were seen as having different personality Traits from followers (Winkler 2010). These traits are confidence, purpose, courage, ethical fitness and ability to prioritize. However, leadership is more complex as it comprises many definitions and qualities (Grimm, 2010). Feather (2009) provides further explanations such as leading, influencing the develop-ment of shared values, vision and expectations to enhance the organization's planned goals and overall effectiveness. Another theory labeled path–goal has been initiated by Mahoney and Jones (1957) and then developed by other scholars. The leader should boost followers in achieving the goals by making the path clear, removing obstacles or rewarding subordinates according to the context and follower's capability (House, 1971;

House and Mitchell, 1974). Top leaders should also encourage subordinate leaders to develop different leadership styles in order to manage different situations (Grimm, 2010). The core competencies of situational leaders are the ability to identify the performance, competence and commitment of others in a flexible approach (Lynch et al., 2011). Other schools which compare transactional leadership with transformational leadership conclude the latter is more effective (Table 1). Nevertheless Bass (2008) warned that transformational qualities need to be combined with transactional management skills. Whitehead et al. (2009) confirm that effective leaders need to have vision as well as a plan and structure to accomplish their goals. Other studies focused on Emotional intelligence which refers to the ability to manage the effect of emotions on relationships with others (Goleman, 1998; Walton, 2012). As a result, leaders' ability to identify followers' changing emotions should be based on knowing first their own feelings and emotions. By managing these emotions, leaders can deal with the stress of failure (Feather, 2009) and leaders cannot be 'great' without emotional intelligence (Goleman, 1998).

Crises and leadership

Defining crisis

In organizational terms, crises are disasters precipitated by people and other factors (Mitroff et al., 1987). Crises are unplanned events that cause death or significant injuries to employees, customers or the public; shut down the business; disrupt operations; cause environmental damage; threaten the financial standing or public image (Clark, 1995). Crises are the extreme form of a change and mark a pivotal moment in an organization's life that result to successful adaptation or death. Crisis is a situation with high-threat level and short decision time that surprises the members of the decision making unit (Hermann, 1969). In addition, crises provide an organization's stakeholders the opportunity to judge management capabilities (Appelbaum et al., 2012).

Leading crises

Leadership responses are crucial for the organization especially during the crisis stage and it is important to distinguish management from leadership. Managers are people who do things right but leaders are people who do the right things. Managers control resources and accomplish goals while leaders communicate among people in guiding the organization's operations. Therefore, leaders are the individuals responsible for crisis manage-ment (Keeffefe and Darling, 2008; Cohn, 1991; Jacques, 2010). The root of the current crisis is not financial but

Table 1. Transactional vs. Transformational leadership.

Type of leadership	Transactional	Transformational
Leader's role	Focus on management tasks, reward compliance and punish disobedience (Bass, 2008; Sims et al., 2009).	Inspire followers with their vision, work with their team, and identify common values (Marquis and Huston, 2009); recognize followers' potential; satisfy their higher needs such as self-esteem to fully engage followers (Vinkenburg et al., 2011); visible role model, mentors and empower followers to become leaders (Rolfe, 2011).
Stereotype	Autocratic leader: The leader stresses obedience, loyalty and strict adherence to rules, power-oriented and closed-minded (Bass, 2008).	Democratic leaders: The leader is selfless and share responsibility with followers. The leader believes workers are motivated, seek autonomy and opportunities to prove themselves (Bass, 2008).
Advantage	Effective for meeting deadlines and emergencies, creating good structure and defining what should be addressed (Bass, 2008); has positive effect on followers' satisfaction and performance (Burke et al., 2006).	Leaders are honest, acknowledge followers' individual achievements and show interest in their working day and decision (Rolfe, 2011; Grimm, 2010); followers develop their own leadership and become independent; followers reduce the leader's stress (Bass, 2008); empowered followers display an increased organizational loyalty, motivation and job satisfaction; the whole reduces absenteeism and promotes a positive work environment (Rolfe, 2011); intellectual stimulation pushes followers to think creatively (Horwitz et al., 2008).
Drawback	Followers may underperform during the leaders' absence; the leader can be abusive, creating fear among staff and making decisions without consulting followers (Bass, 2008).	Followers must be equipped with adequate knowledge/skills and should be team oriented (MarrinerTomey, 2009); the consultation process is time consuming and even frustrating for followers who expect quick decisions (Marquis and Huston, 2009); requires trust between the leader and followers to do whatever the leader envisions (Bach and Ellis, 2011).

human driven; it is a leadership crisis as scholars suggest to develop a "postindustrial school of leadership". Archaic leaders and followers are still acting, choosing, and thinking on the basis of an industrialized model of leadership. The old model, which has served the people of the United States well since the late 1800s, increasingly ill serves the twenty-first century (Wren et al., 2004)."Based on the survey results, it is safe to say that few saw this crisis coming. Asked how prepared was your organization for changes in the global economic environment beginning 18 months ago? Only one respondent indicated totally prepared" (Wilson and Eilertsen, 2010, pp.5-6).

In fact, organizations must have a crisis plan in order to prevent and to be prepared for a crisis situation and CEO must actively be present in the direction the organization is taking (Jacques, 2010). Leaders should know how to respond constructively and learning to do so is a key piece of their professional development. Senior managers must be able to change the cultural norms that gave rise to bad behaviors (Gentile, 2010). For example Lehman Brothers did not foresee any threats because its real estate investment plans were only applicable in a growing housing market (Appelbaum et al., 2012;

Boedihardjo, 2009). Actually, large companies must abandon the "too big to fail" mentality and not be overconfident in their abilities to escape crisis situations (Appelbaum et al., 2012). A strategic leadership is further reflected in individuals who are constantly on the lookout for problems that can be converted into opportunities for their organizations (Hawkins, 1998). By contrast poor leaders misperceive a crisis and put their companies at greater risk (Chong, 2004). When leading crisis, leaders must be certain to provide a resonating message, clear and meaningful to all stakeholders in order to get their support. Leaders must also reduce the identity gap between the current and desired culture. They should offer a clear vision of the firm's future during the crisis stage and identify goals that resonate with employees. Furthermore, change is an emotional process and people need to be changed with dignity while acknowledging their past and justifying why they should move on (Ashkanasy and Kavanagh, 2006). When the organization's message and new cultural image have been communicated, management must ensure they model the new behavior (Corley and Gioia, 2004). Finally, organizational leaders have a responsibility to learn from past crisis and to plan for future crises (Hargis and Watt,

Table 2. Authentic leader versus inauthentic leader.

Authentic leaders	Inauthentic leaders
Bass (1998); Bass and Steidlmeier (1999)	
Vision with a sense of responsibility to the organization and followers.	False to the organization's mission.
Self-sacrifice.	Willing to sacrifice followers.
Encourage questions, debate, and creative solutions to problems.	Self-serving.
Use hard evidence and base discussion on the merits of the issues.	Deceptive and manipulative.
Seek idealized influence.	Seek power and position at the expense of followers.
Use rational debate.	Use false logic and depend on authority to make their arguments.
Use intellectual stimulation.	Seek to be idolized.
Generate harmony and cooperation.	Promote ambiguity and inconsistency.
	Use emotional argumentation.
	Confuse followers into doing what the leader wants.
	Generate envy and hate.
Sankowsky(1995)	
Motivate through empowerment.	Authoritarian control.
Altruist.	Seek to control.
Kanungo and Mendonca (1996); Conger and Kanungo (1998)	
Mentors and coaches to develop their followers into leaders.	Maintenance of follower dependence.
	Encourage personal distance, blind obedience, favoritism and competition.
	Exploit feelings of followers to maintain deference.
Luthans and Avolio (2003); Avolio and Gardner (2005)	
Root of effective forms of leadership: transformational, ethical, spiritual, and servant.	
Develop leaders and followers higher levels of self-awareness/self-regulated.	

Source: Adapted from the cited authors.

2010).

DISCUSSION AND IMPLICATIONS

Authentic leadership

Authentic leaders are people who know what they value and believe; they operate based upon those beliefs and values while they visibly interact with others. They are cognizant of their environment and clearly picture the framework in which they lead (Avolio and Gardner, 2005). Authentic leaders integrate their ethical behavior into both their personal and organizational lives. They create an ethical climate (May et al., 2003). For a deeper under-standing of current authentic leadership Table 2 compares authentic leader with inauthentic leader concepts.

This comparison (Table 2) is highly instructive but there are still no explanations regarding which mechanisms should be followed for achieving authentic leadership i.e. in terms of self-development and positive psychological

states (Avolio and Gardner, 2005).

Transformational, servant and spiritual leadership

For Sendjaya et al. (2008, pp. 402-403), transformational, spiritual, and service leadership are examples of value based theories of leadership. Today, the three concepts include spiritual elements that have emerged in response to a climate of unethical leadership and abuse of power in toxic organizations. According to Stone et al., (2004, p. 354) "The principal difference between transformational leadership and servant leadership is the focus of the leader. While transformational leaders and servant leaders show concern for their followers, the overriding focus of the servant leader is upon service to their followers. The transformational leader has a greater concern for getting followers to engage in and support organizational objectives."

For Crossman (2010, p. 603), "There are clear points of convergence between servant leadership and spiritual

leadership". Both spiritual and servant leadership are characterized by intrinsically virtuous approaches that set out to cultivate a sense of love, hope, faith, holism, integrity, meaning, purpose and interconnectedness in the workplace (Fry, 2003, p. 708). Unlike most leadership theories of trait, behavior, and contingency, along with transformational and charismatic leadership, "servant leadership" questions the power driven and classical hierarchical structure assumptions demonstrated within organizations. By contrast, servant leadership is a holistic and altruistic approach to leadership that focuses on the commitment to serve other people, including employees, customers, and community as the chief priority (Greenleaf, 1977, p. 7; Pekerti and Sendjaya, 2010; Hale Oner, 2012, p. 303).At the individual level servant leadership contributes to explain community citizenship behavior, in both role performance and organizational commitment (Liden et al., 2008). Regarding spiritual leadership, Fernando et al. (2009) argued the prevailing spiritual revival in the workplace has taken shape over the past 20 years. "Spiritual managers can truly engender consequential and evolutionary transformations to themselves, humanity, and the planet (Steingard, 2005, p. 236)." Spirituality is a subconscious feeling that energizes individual action in relation to a specific task, as an animating life force and as an energy that inspires one toward certain ends or purposes that go beyond self (Dehler and Welsh, 1994, p. 19).

Genuine leadership

The Oxford Reference Dictionary (1986, p. 338) defines the term genuine as "really coming from its reputed source". The essence of this definition suggests that genuine leaders should embark on a long quest for self-development. According to another outstanding leader, Martin Luther King, "A genuine leader is not a searcher for consensus but a molder of consensus." The reason King became one of the USA's greatest icons is because he knew that every person counted. Americans must become the leaders the country desperately lacks (Rich, 2012).Accordingly genuine leadership focuses on the individuals' development but for a collective purpose.

Genuine vs. Counterfeit leadership

Actually, organizations suffer from learning disabilities which come from a "counterfeit leadership" inherently destructive to an organization's culture (Table 3). Counterfeit leaders may appear to be successful for some period of time; but it is the genuine leader who will ensure the organization's success for the long term (Senge, 1990). Drawn from the classic work of Burns (1978), Senge argued there is a significant difference between leaders' want and need. A want is a preference,

something you would rather have, given a choice. A need, on the other hand, is a true necessity, something you cannot do without:

These six "primary wants and needs" form a set of six equations to be balanced by the genuine leader. The counterfeit leader, on the other hand, often exhibits too little or too much of one attribute or the other. To get what their want, genuine leaders must develop internally what they need i.e. self-discipline, energy, structure, vision, courage, and caring. In addition, genuine leaders go beyond selfish development. They make sure that followers get what they want and need because they understand the process is mutual. This deeper transformation involves coming to terms with one's undeveloped opposite side and bringing all personality dimensions into a conscious balance. Moreover, leaders may arrange a reciprocal coaching agreement with a trusted friend and confidant (Ingalls, 2000).

Suggesting a model of genuine leadership

Justification

A far broader set of leadership constructs need to be considered than the current concentration on contingency theory, the leadership grid or transformational leadership. Empirical studies in construction also tend to involve exclusively quantitative analysis. There is an overwhelming emphasis on descriptive research methods and next to nothing on the development programs and interventions that might foster and sustain effective leadership into the future. A more comprehensive and liberal approach to leadership research in construction is clearly called for, and soundly endorsed by many researchers (Bennis, 2007; Dainty, 2007; Newton, 2008; Toor and Ofori, 2008). At least, two principle barriers remain as a precondition to leadership research in construction moving beyond the current: (1) A clear acknowledgement that leadership is neither a set of personal qualities nor particular styles of leadership, but rather that leadership is an activity; (2) A move to more qualitative research methodology (Newton, 2009). "…The developmental school of thought, on the other hand, seeks to understand the conscious steps taken to become a leader" (Mostovicz et al., 2009, p. 564).

The model of genuine leadership

Figure 1 depicts a model of Genuine Leadership made up of three interlinked main components: Leader's activities, Leaders' tool box and Leaders' universal goal.

Leader's activities: Genuine leaders perform five main activities that should be developed over time and both at individual/interpersonal and organizational/societal level.

Table 3. Genuine vs. Counterfeit leadership.

Six primary wants: Leaders' wants		Six primary needs: Leaders' needs
Six set of equations		
Control	**Set 1**	**Self-discipline**
Three Leadership characteristics		
A. Loose cannon	B. Confident practitioner	C. Control freak
i.e.: Careless	Careful	Scrupulous
Power	**Set 2**	**Energy**
Three leadership characteristics		
A. Dependent follower	B. Power leader	C. Arrogant antagonist
i.e.: Passive	Assertive	Aggressive
Clarity	**Set 3**	**Structure**
Three Leadership Characteristics		
A. Docile conformist	B. Intelligent thinker	C. Boring dogmatist
i.e.: Unthinking	Thoughtful	Obsessed
Creativity	**Set 4**	**Vision**
Three leadership characteristics		
A. Skeptical pessimist	B. Intuitive visionary	C. Eccentric idealist
i.e.: Paralyzed	Resourceful	Frenzied
Opportunity	**Set 5**	**Courage**
Three leadership characteristics		
A. Anxious cynic	B. Risk-taker	C. Belligerent extremist
i.e. Doubtful	Resolute	Uncompromising
Unity	**Set 6**	**Caring**
Three leadership characteristics		
A. Reluctant participant	B. Sensitive questioner	C. Exploitative user
i.e.: Suspicious	Trusting	Duplicitous

Too little= A. counterfeit leader; Too much= C. counterfeit leader   ; B. genuine leader; balance. Source: adapted from Ingalls (2000, p. 17).

Those five activities are Role modeling, Developing fairness, Mastering complexity, Establishing trust and People development.

Role modeling

According to Stern (2010), the humanity seems to want our leaders to excel in all the time-honored, civilized modes of human behavior. Genuine leaders build enduring relationships, work hard, and lead with purpose, meaning and values. However, they are not necessarily described as charismatic by others; those leaders know where they stand on important issues, values and beliefs. With that base genuine leaders stay their course and convey to others, through actions not just words. Followers come to learn what such leaders identify with and the importance they give to certain ways of interacting with each other. Other researchers (Brown et al., 2005) argue that recent ethical scandals in business have raised important questions about the role of leadership in shaping ethical conduct. Most employees look outside themselves to significant others for ethical guidance. Therefore, in the workplace, leaders should be a central source of such guidance. Similarly, Burns (1978) confirms that "transforming" leaders inspire followers by aligning their own and their followers' value systems toward important moral principles. A social learning perspective on genuine leadership proposes that leaders influence the ethical conduct of followers via modeling. Here, the term modeling covers a broad range of psychological matching processes, including observational learning, imitation, and identification. Employees can learn what behavior is expected, rewarded and rejected via role
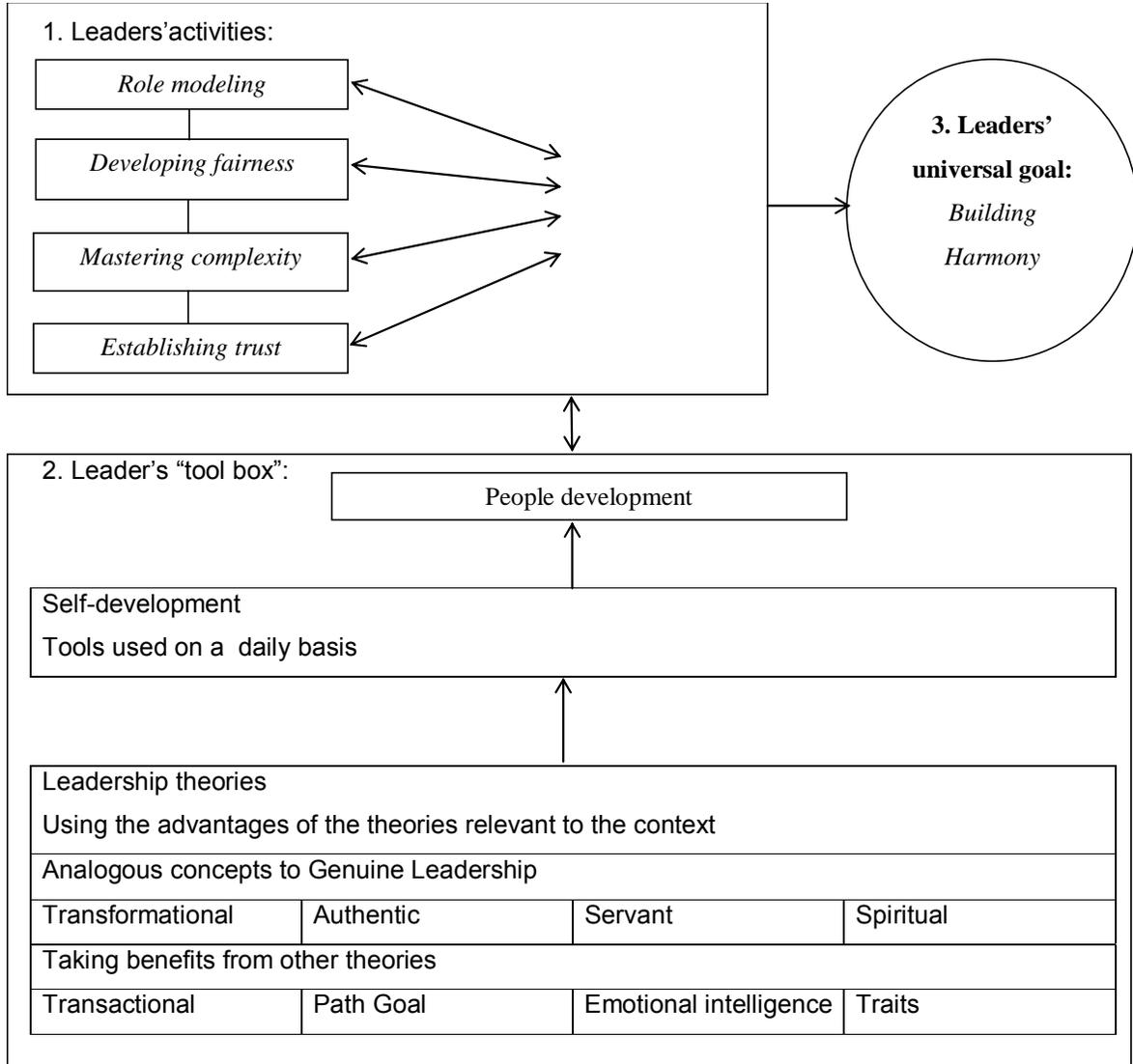
Figure 1. Model of Genuine Leadership. Source: The author.

modeling. Today's employees are bombarded with messages of all kinds and from all directions. By contrast, and by virtue of their position in the hierarchy, leaders are generally observable and may be able to focus followers' attention on a particular message or behavior (Brown et al., 2005). "Authenticity" lies near the heart of the crisis of confidence in contemporary leadership. Accordingly Genuine leadership is a developmental process charac-terized by 3 components: Growing awareness of one's own true self where self-regulation is central to most formulations of authentic leadership; Self-regulation seeks to insure that one's words are spoken from the inner voice and one's deeds reflect inner purpose and values; Consistency means followers look for reliability between their leaders' true selves-as expressed in values, purpose, or voice-and their behaviors (Sparrowe,

2005).

Developing fairness

Genuine leaders should develop an altruistic motivation which includes honesty, consideration of others, and fair treatment of employees, including respect and voice. By engaging in transparent, fair, and caring actions, and by creating a fair working environment, the genuine leader becomes a legitimate source of information about appropriate conduct, and a target of identification and emulation. Unfortunately, outrage over executive pay is not new as sporadic shareholder revolts have plagued annual meetings for decades but it has never before been so white-hot. Both equity-based and bonus

arrangements reward executives for gain that are due not to their own performance but to the economy or industry wide movements. As a result, executive compensation is at the center of a complex mix of societal problems, most notably the increasing gap between rich and poor and the current crisis. For instance, Peter Drucker famously decreed that CEOs should not earn more than 20 times the average salary in a company but many top execs earn far more than that today. Some studies suggest as much as 300 times the average salary virtually guaranteeing that executives have little incentive to mitigate risk taking or to focus on long term performance. Additionally a lot of executive compensation comes in the form of unique arrangements that are not subject to public scrutiny. Jeffrey Immelt, General Electric's chief executive acknowledges "My generation of business leaders had succumbed to meanness and greed that had harmed the US economy and increased the gap between the rich and the poor" (Guerrera, 2009). This is a call for "Genuine Leadership" as today some questions arise: Will the current scrutiny of pay mean that the next generation of leaders will need to be motivated differently? Will people go into business to serve, not just to get rich? Will executives lead a vital and vibrant institution with a multifaceted role in society-the great corporation-rather than pursuing selfish agenda? This is going to be a significant issue for a while as the causes and the solutions of these problems are complex (Dillon, 2009).

Mastering complexity

The humankind is multifaceted and suffers from various hidden frustrations. Over the past 10 years, Menon and Thompson (2010) have studied hundreds of executives and their organizations in an effort to discover what role they play in the workplace. The researchers have found that regardless of the economic climate, people at all levels of a firm are vulnerable to "envy" that intensifies in times of economic crisis. As losses mount, employees worry that they're in jeopardy and grow to resent successful colleagues. Envy damages relationships, disrupts teams, and undermines organizational performance. Most of all, it harms the one who feels it. Employees obsess over interactions with rivals, compare their rewards, and overanalyze even the fleeting praise the boss bestows on others. Some people become so fixated on a rival that they lose their focus on their own performance. However, it is possible to prevent employees from being consumed by envy and even to harness it to their advantage. Pinpoint what makes you envious; do not focus on other people; focus on yourself (Menon and Thompson, 2010).

Other scholars (Judge et al., 2009) study the bright and the dark sides of leader's traits; they focus on core self-evaluations, conscientiousness and agreeableness: 1.

Core self-evaluation is broad personality trait that captures one's bottom-line self-assessment i.e. self-esteem, locus of control and generalized self-efficacy. For instance, executives who have a high level of core self-evaluations will be associated with simpler and faster strategic decision processes, a greater number of large stake initiatives, and more enduring organizational persistence in pursuit of those initiatives; 2. Conscientious leaders tend to be disciplined in pursuit of goal attainment, efficiency, and have a strong sense of direction. These individuals are detailed-oriented, deliberate in their decision-making, and polite in most interpersonal interactions (Costa and McCrae, 1992; Hogan and Hogan, 2001). Conscientious leaders will exhibit integrity (Hogan and Ones, 1997); they display more tenacity and persistence in pursuit of organizational objectives that foster a fair work climate (Mayer et al., 2007); 3. Agreeable leaders have a genuine concern for the wellbeing of others. They are attentive to an individual's psychological needs and are interested in a subordinate's job satisfaction and professional development (Judge et al., 2009).

Establishing trust

For Yang and Mossholder (2010), perceptions of trust are central to the process of effective organizational leadership (Pillai et al., 1999). In this process, leadership behaviors function to engender trust, which in turn, can greatly affect employees' work outcomes (Dirks and Skarlicki, 2004). Trustworthiness attributions have a strong, widespread influence upon people's reactions to leaders. Research shows that two distinctive psycho-logical processes underlie employees' trustworthiness attributions, one being instrumental in nature, and the other being more relational (Tyler and Degoey, 1996). The former "cognitive trust" focuses on another party's characteristics such as ability, dependability, and integrity; the latter "affective trust" derives more from personal bonds. Genuine leaders' behavior can help mitigate the risk of opportunism inherent in organizational contexts, thus making followers feel safe to be led by immediate supervisors and top managers as well. Specifically, cognitive trust allows for comfortable task related exchanges at work, such as work requests given and taken between supervisors and subordinates. Affective trust facilitates socio-emotional communication including initiation and reciprocation of care and consideration. Targets of trust can be a person, a group, or a firm. Lewin (1943) already suggested that individuals react more strongly to psychologically proximate factors in the environment than to distant factors (Brandes et al., 2004). Arguably, the trust associated with either the immediate leader or distant leaders could influence important work attitudes such as job satisfaction and organizational commitment (Yang and Mossholder, 2010).

To end, genuine leadership can make a fundamental difference in today's organizations by helping people find meaning and connection at work through greater self-awareness: by restoring and building optimism, confidence and hope; by promoting transparent relationships and decision making that builds trust and commitment among followers; and by fostering inclusive structures and positive ethical climates. All that would contribute to people development (Avolio and Gardner, 2005).

Leaders' tool box: Genuine leadership suggests to use- on a daily basis- a formal method both for self-development and people development that fits the wide context and take the advantages of other relevant leadership theories. Genuine leaders should act on the individual level, then on the organizational and finally on the societal level in order to achieve the universal goal (Figure 1). Indeed genuine leaders make the right change first in their mind, and then actively work to fix the crisis, whatever financial, religious, political or societal. For instance they break the long lasting glass ceiling of discriminations based on race, color, age, religion, disability, sexual orientation or gender. They understand that people around them should get involved for providing their full contribution in a learning process. Genuine leaders acknowledge their failure, learn why they have not succeeded, and come up with better programs to help talented employees' advance (Carter and Silva, 2010).

Leaders' universal goal: the goal of genuine leaders should be focused on building harmony. A sustainable leadership is based on value creation, performance, and social responsibility as well. Finally, a consensus will emerge that people are all responsible for the world and must work together to make it better (Meyer and Kirby, 2010).

Conclusion

There is an emergency for change as the next crisis might be fatal to humanity. Consequently, scholars and practitioners from any fields are welcome to challenge obsolete schools of leadership that were built for the industrial era. This paper which is based on leadership literature review attempted to draw the base for a model of genuine leadership made up of three components: Leaders' five activities, tool box and universal goal. Genuine leadership is a quest for self-development in order to find the right internal balance; then to spread the new behaviours and experiences to the outer world. Consequently, genuine leadership is much wider and practical than authentic, transformational, servant or spiritual leadership. It takes benefit from all leadership theories but suggest to follow a practical program of self-development. It is a dynamic and interactive process based on mechanism and self-improvement method used in a daily basis. The model finally highlights that building harmony should be the universal goal of Genuine leaders.

Though based on leadership literature this paper presents some limitations. For instance the new model of genuine leadership does not explain which practical program is relevant for developing genuine leaders. Furthermore, the three components of genuine leadership should be criticized and validated by empirical research. In addition, the diversity of the world suggests further cross-cultural studies in order to design a more universal model of genuine leadership.

Conflict of Interests

The author has not declared any conflict of interests.

REFERENCES

Appelbaum SH, Keller S, Alvarez H, Bedard C (2012). Organizational crisis: lessons from Lehman Brothers and Paulson & Company. Int. J. Comm. Manage. 22(4):286-305.

Ashkanasy N, Kavanagh M (2006), "The impact of leadership and change managementstrategy on organizational culture and individual acceptance of change during a merger", Br. J. Manage. 17(1):81-103.

Avolio BJ, Gardner WL (2005). Authentic Leadership Development: Getting to the Root of Positive Forms of Leadership. Leadership Quart. 16:315-338.

Balogun J, Hailey VH (2004). Exploring Strategic Change, 2nd ed., Pearson Education Ltd, Harlow.

Bass BM (1998). Transformational leadership: Industrial, military, and educational impact. Mahwah, NJ: Lawrence Erlbaum Associates.

Bennis W (2007), "The challenges of leadership in the modern world", Am. Psychol. 62(1):2-5.

Bernard MB, Steidlmeier P (1999). ETHICS, CHARACTER, AND AUTHENTIC TRANSFORMATIONAL LEADERSHIP BEHAVIOR. Leadersh. Q. 10(2):181–217.

Boedihardjo H (2009). "How math killed Lehman Brothers", Plus Magazine, May 31.

Brandes P, Dharwadkar R, Wheatley K (2004). Social Exchanges Within Organizations and Work Outcomes: The Importance of Local and Global Relationships. Group Org. Manage. 29:276-301.

Brown ME, Treviño LK, Harrison DA (2005). Ethical leadership: A social learning perspective for construct development and testing. Org. Behavior Human Decis. Process. 97:117-134.

Burke R (2006). Leadership and spirituality. Foresight, Emerald Group Publishing Limited. 8(6):14-25.

Burns JM (1978). Leadership. Harper and Row, New York, NY.

Carter NM, Silva C (2010). Women in Management: Delusions of Progress. Harvard Bus. Rev. pp.19-21.

Casse P, Banahan E (2007). "The boss in a bubble", Train. J. pp. 46-50.

Chong KS (2004), "Six steps to better crisis management", J. Bus. Strat. 25(2):43.

Ciulla JB (1998). Leadership Ethics: Mapping the Territory. Westport, CT: Quorum Books. pp.3-25.

Ciulla JB (2008). Leadership at the Crossroads. Praeger Perspectives. pp.300-314.

Clark J (1995). "Hope for the best, but plan for the worst – the need for disaster planning". Employ. Relat. Today. 22(4):41-53.

Cohn RJ (1991). "Pre-crisis management", Executive Excellence. 8(10):19.

Corley K, Gioia D (2004). "Identity ambiguity and change in the wake of a corporate spin-off". Admin. Sci. Quart. 49(2):173-208.

Costa PT, McCrae RR (1992). Revised NEO Personality Inventory (NEO-PI-R) and NEO Five Factor (NEO-FFI) Inventory Professional Manual. Odessa, FL: PAR.

Crossman J (2010). Conceptualising spiritual leadership in secular organizational contexts and its relation to transformational, servant and environmental leadership. Leaders. Org. Dev. J. 31(7):596-608.

Dainty A (2007). "A review and critique of construction management research methods", Proceedings of Construction Management and Economics 25th Anniversary Conference, University of Reading, Reading, July 16-18.

Dehler GE, Welsh AM (1994). "Spirituality and organizational transformation: implications for the new management paradigm". J. Manage. Psychol. 9(6):17-26.

Dillon K (2009). HBR at Large: The Coming Battle Over Executive Pay. Harvard Bus. Rev. pp.98-103.

Dirks KT, Skarlicki DP (2004). Trust in Leaders: Existing Research and Emerging Issues. In R. M. Kramer, & K. S. Cook (Eds.), Trust and distrust in organizations: Dilemmas and approaches New York: Russell Sage Foundation. pp.21-40.

Feather R (2009). Emotional intelligence in relation to nursing leadership: does it matter?.J. Nurs. Manage. 17:376–382

Fernando M, Beale F, Geroy DG (2009). The spiritual dimension in leadership at Dilmah Tea. Leaders. Org. Dev. J. 30(6):522-539

Fry LW (2003). Toward a theory of spiritual leadership. Leadersh. Q. 14:693-727.

Gentile C (2010). Managing Yourself: Keeping Your Colleagues Honest. Harvard Bus. Rev. pp.114-117.

Goleman D (1998). Working with Emotional Intelligence. New York: Bantam.

Greenleaf RK (1977). Servant Leadership: A Journey into the Nature of Legitimate Power and Greatness. Paulist Press, New York, NY.

Grimm JW (2010). Effective leadership: making the difference.Journal of Emergency Nursing. 36(1):74-77.

Guerrera F (2009). GE chief attacks 'greed' of fellow business leaders. Financial Times, December 10.

Hale OZ (2012). Servant leadership and paternalistic leadership styles in the Turkish business context: a comparative empirical study. Leaders. Org. Dev. J. 33(3):300-316.

Hargis M, Watt J (2010). "Organizational perception management: a framework to overcome crisis events", Org. Dev. J. 28(1):73-87.

Hawkins WD (1998). Predictors of affective organizational commitment among high school principles (Unpublished doctoral dissertation). Virginia Polytechnic Institute and State University, Virginia.

Hermann CF (1969). International Crisis as a Situational Variable, International Politics and Foreign Policy: A Reader in Research and Theory, The Free Press, New York, NY.

Hogan J, Ones DS (1997). Conscientiousness and integrity at work. In R. Hogan, J. A. Johnson, & S. R. Briggs (Eds.), Handbook of personality psychology (pp. 849−870). San Diego, CA: Academic Press.

Hogan R, Hogan J (2001). Assessing leadership: A view from the dark side. Int. J. Sel. Asses. 9:12-23.

House RJ (1971). A path-goal theory of leader effectiveness. Admin. Sci. Quart. 16:321-339.

House RJ, Mitchell TR (1974). Path-goal theory of leadership. Contemporary Business. 3:81-98.

Ingalls JD (2000). "Genuine and counterfeit leadership: the root causes and cures of human capital flight". Strat. Leaders. 28(6):16-22.

Jacques T (2010). "Embedding issue management as a strategic element of crisis prevention", Disaster Prev. Manage. 19(4):469-82.

Jogulu UD (2010). Culturally-linked leadership styles. Leaders. Org. Dev. J. 31(8):705-719.

Judge TA, Piccolo RF, Kosalka T (2009). The Bright and Dark Sides of Leader Traits: A Review and Theoretical Extension of the Leader Trait Paradigm. Leaders. Quart. 20:855-875.

Keeffefe J, Darling J (2008). "Transformational crisis management in organization development: the case of talent loss at Microsoft". Org. Dev. J. 26(4):43-59.

Lewin K (1943). Defining the 'field at a given time'. Psychol. Rev. 50:292-310.

Liden RC, Wayne SJ, Zhao H, Henderson D (2008), "Servant leadership: development of a multidimensional measure and multi-level assessment", Leaders. Quart. 19(2):161-77.

Mahoney, Jones (1957). A path-goal approach to productivity. J. Appl. Psychol. 41(6):345-353.

May DR, Chan AYL, Hodges TD, Avolio BJ (2003). Developing the moral component of authentic leadership. Organ. Dynamics 32:247-260.

Mayer D, Nishii L, Schneider B, Goldstein H (2007). The precursors and products of justice climates: Group leader antecedents and employee attitudinal consequences. Personnel Psychol. 60:929-963.

Menon T, Thompson L (2010). Envy at Work. Harvard Bus. Rev. pp.74-79.

Meyer C, Kirby J (2010). Leadership in the Age of Transparency. Harvard Bus. Rev. pp.38-46.

Mitroff II, Shrivastava P, Udwadia F (1987). "Effective crisis management". Acad. Manage. Exec. 1(4):283-292.

More E, Ekaterina TE (2013). Business education and spirituality – the MBA with no greed. J. Global Responsib. 4(1):15-30.

Mostovicz IA, Kakabadse NK, Kakabadse AP (2009). A dynamic theory of leadership development. Leaders. Org. Dev. J. 30(6):563-576.

Naughton M, Bausch TL, Fonana J, Pierucci E (2008). "Business education at catholic universities", A Background Paper for the 7th International Conference on Catholic Social Thought and Management Education, University of Notre Dame, June 11-13, pp.1-29.

Newton S (2008). "Changing the framework for leadership in the construction industry", in Dainty, A. (Ed.), Proceedings of the 24th Annual ARCOM Conference, Cardiff, UK, September 1-3, Association of Researchers in Construction Management, Reading. pp. 433-42.

Newton S (2009). New directions in leadership. Construction Innovation. 9(2):129-132.

Offermann LR, Hanges PJ, Day DV (2001). Leaders, Followers and Values: Progress and Prospects for Theory and Research. Leaders. Q. 12(2):129-131.

Pekerti A, Sendjaya S (2010). "Exploring servant leadership across cultures: comparative study in Australia and Indonesia", J. Human Resour. Manage. 2(5):754-80.

Pillai R, Schriesheim CA, Williams ES (1999). Fairness Perceptions and Trust as Mediators for Transformational and Transactional Leadership: A two-sample study. J. Manage. 25:897-933.

Rich B (2012). Martin Luther King knew that change began with individuals, USA Today, Jan. 1st.

Sendjaya S, Sarros C, Santora J (2008). "Defining and measuring servant leadership behaviour in organizations".J. Manage. Stud. 45(2):402-24.

Senge PM (1990). The Fifth Discipline: The Art and Practice of The Learning Organization. Doubleday Currency, New York, NY.

Simkovic M (2009). Secret Liens and the Financial Crisis of 2008. Am. Bankruptcy Law J. 83:253.

Sparrowe RT (2005). Authentic Leadership and the Narrative Self. Leaders. Quart. 16:419-439.

Steingard D (2005). "Spiritually-informed management theory: toward profound possibilities forinquiry and transformation". J. Manage. Inquiry. 14(3):227-241.

Stern S (2010). Especially now, leaders must live up to their promises. Financial Times, Special Report: The World 2010, Wednesday January 27, 2010, p.2.

Stone G, Russell RF, Patterson K (2004). Transformational versus servant leadership: a difference in leader focus. Leaders. Org. Dev. J. 25(4):349-361.

Toor S-ur-R, Ofori G (2008). "Grounded theory as the most appropriate methodology for leadership research in construction", in Haigh, R. and Amaratunga, D. (Eds), CIB Inerenational Conference on Building Education and Research, February, 11-15 Heritance Kandalama, Dambulla. pp.1816-31.

Tyler T, Degoey P (1996). Trust in Organizational Authorities: The Influence of Motive Attributions on Willingness to Accept Decisions. In R. Kramer & T. Tyler (Eds.), Trust in organizations: Frontiers of theory and research. Thousand Oaks, CA: Sage. pp.331-356).

Williams CJ (2012). "Euro crisis imperils recovering global economy, OECD warns". Los Angeles Times. May 22.

Wilson JW, Eilertsen S (2010). How did strategic planning help during the economic crisis? Strat. Leaders. 38(2):5-14.

Wren JT, Hicks DA, Price TL (2004). New Perspective on Leadership. The International Library of Leadership, Elgar Reference Collection

Cheltenham, UK.

Yang J, Mossholder KW (2010). Examining the Effects of Trust in Leaders: A bases-and-Foci Approach. Leaders. Quart. 21:50-63.

Yukl G, Gordon A, Taber T (2002). "A hierarchical taxonomy of leadership behaviour: integrating a half century of behaviour research". J. Leaders. Org. Stud. 9(1):15-32.

CITATIONS

Donelson R. Forsyth (Editor)
› Visit Amazon's Donelson R. Forsyth Page
Find all the books, read about the author, and more.
See search results for this author
Are you an author? Learn about Author Central
The Global Edition of the New York Times, Saturday/Sunday, April 10-11, p.9.
The Oxford Reference Dictionary (1986). Clarendon Press, Oxford.
United States Senate (2011). Wall Street and the financial crisis: anatomy of a financial collapse. Permanent subcommittee on investigations report, April 13.