CHARISMATIC AND TRANSFORMATIONAL LEADERSHIP: APPROACHES FOR EFFECTING CHANGE

Srdjan NIKEZIĆ[1], Suzana DOLJANICA[2], Dragan BATAVELJIĆ[3]

[1] Faculty of Science, Kragujevac, Serbia, email: srdjan_nikezic@yahoo.com
[2] High School of Modern Business, Belgrade, Serbia, email: suzana.doljanica@gmail.com
[3] Faculty of Law, Kragujevac, Serbia, email: bataveljic@jura.kg.ac.rs

Abstract—The theory and practice show that transactional leadership is a necessary, evolutionary path to transformational and charismatic leadership of the time in a relatively stable business environment, time for operating in a turbulent environment with many unknowns. Transformation phase and charismatic leadership are characterized by different interactions of social actors, initiative, efficiency and effectiveness, readiness for change and variety of strategic choices in accordance with the requirements of the environment and the perception of new vision and business goals. It is an evolutionary path that coexists with the changes in the environment and the inevitability of the appearance of transformational and charismatic leadership as a complex process based on the individual vision, courage and willingness to learn, openness to followers and values that include better and more efficiently, based on a radical change in the organization and environment.

Keywords—Transformational and charismatic leadership, turbulent environment, a willingness to learn, the vision and mission, the followers.

I. TRANSFORMATION TERM OF LEADERSHIP

AS a term, transformational leadership was first mentioned in 1973, in the sociological study J.V. Dowtona about leadership: "Commitment and charisma in the revolutionary process." Since 1980, the transformational leadership is in the focus of many studies. By 2001, K.B. Lowe & WL Gardner found that is 1/3 of studies focused on transformational and charismatic leadership. Burns has made a fundamental distinction between transactional and transformational leadership. James Macgregor Burns in 1978, with his book,, Leadership "has set the cornerstone for the study of leadership as a new field which is written in the years to more than two hundred studies and several programs on the functioning of organizations and governments.
He described transactional leaders as someone who directs the exchange with followers in which followers are rewarded for meeting pre-defined standards and performance. This process promotes improvements to the goals, establishing work standards, provide clear guidelines and to provide appropriate resources. According to Burns, transactional leaders are primarily focused on maintaining the status quo. In this sense, transactional leadership is a traditional approach to leadership. Burns' transformational leadership is seen as someone who actively changing needs of its followers by raising them on the same level as their own, or organizational needs and goals. Transformational leader offers to his followers a mission or vision that stimulates their imagination. The vision itself, redirect follower actions and motivates them to greater efforts.

Unlike transactional leaders who operate within the framework of existing values, beliefs and goals of their followers, transformational leaders seek to change the above categories and create new ones to encourage greater commitment of followers. Intense commitment to the concept of transformational leadership is the result of at least two tendencies. First, many large companies such as IBM, GM, Ford and others, have entered into a comprehensive program of transformation and change that had to be achieved in a relatively short period of time. After the Second World War, until the seventies, the business climate in the world, especially in the U.S., provided that such degree of stability that most organizations did not felt the need for change, and consequently for the leadership, as the force that leads to change. However, after 25-30 years of relatively slow and steady growth in the seventies and eighties, especially the last century, the business world has become far more dynamic, competitive and volatile. Many, by then successful companies, were faced with the crisis and the need to radically change their former way of doing business. Second, the recent theoretical base of leadership, which is based on an analysis of personal characteristics of leaders and its behavior in different situations not taking into account some, a lot of quirky qualities of leaders. These new qualities demanded a new theory or a new concept of leadership. It is the concept of transformational leadership.

Fig. 1: The key attributes of transformational leader [Nikezic, 2011, Nikezic and etc., 2012][9].

II. TRANSFORMATIONAL DEVELOPMENT LEADERS

Full Range Leadership Model shows different developmental stages of transformational leadership. The figure no. 2 shows the four dimensions of transformational leaders who are effective in - active quadrant. The first is idealized influence of a leader (II), which is another term for charisma. The second is inspired and motivated leader (IM), where the leader has high expectations and inspires followers to achieve high goals. The third is, intellectually stimulated by the leader (IS), who gives his followers the opportunity to express their creativity and innovation. The fourth is individually oriented leader (IC), where the leader acts more as a coach or counselor [Northouse, 1997: 136-139]. Transformational leadership, therefore, tends to be at the top management in organizations [Wood, et.all., 1998: 520][16]. Transactional leadership is more inclined to monitor the organization, processes and outcomes in the market. Leaders who are successful, according to Bass and Avolio (1994) [1], more inclined toward factors II, IM, IS and IC. These factors, as we said are in the highly active and effective quadrant, as is illustrated in Figure 2.
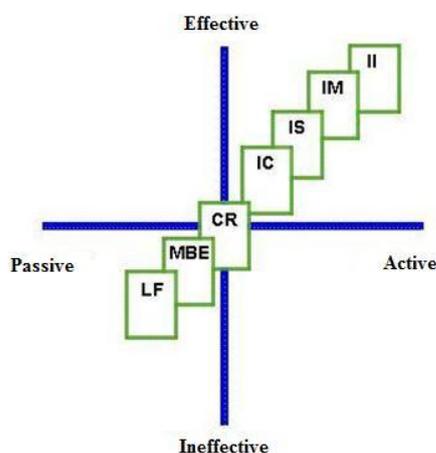

Fig. 2: The evolution of transactional leadership into transformational [Bass and Avolio, 1994: 9][1].

There are two approaches of transactional leadership model. Contingent reward (CR), where the leader of the highest level of management in the organization sets what performance and requirements they need to achieve and in the end awards management for their achievements. Management (MBE) has two styles, active and passive leadership style and the means of active and passive forms of remuneration are based on management by exception and rewards from situation to situation. The passive style implies certain actions and deviations following in relation to established standards, including the leader eh-post seem to be planned and approached the prescribed standard. The active style of leadership involves continual activity, with a system of orders, instructions and commands, in order to remove a sample of possible deviations from the adopted planning standards [Stefanovic, 2007: 51][15]. It provides the business situation with a minimum of dysfunctional consequences or delay on the basis of rational behavior and actions of social actors, groups and organizational levels. Laissez-Faire (LF), it is difficult to indentify as a form of leadership with regard to possible freedom in the choice of goals and behavior of organizational participants. Laissez-faire is not in the true sense of leadership style, given the impact of social actors, whose activities were not coordinated, limited or formalized. It is a passive attitude towards actors and social groups, ineffective and useless for the establishment and regulation of organizational relationships. It is preceded by a transactional style that is applied in arranged relationships of leaders and followers and the organizational conditions that are formalized, hierarchical, and based on strict division of labor and responsibilities [Stefanovic, 2007: 51][15].

III. MANAGING CHANGE IN TRANSFORMATIONAL LEADERSHIP

The best leaders are those ones who know how to balance short-term results and long-term vision. Kotter [4] believes the short-term changes in those that take place from 6 to 12 months. Results and vision can be drawn on the matrix that has four dimensions. The low score and low vision are the problem for any organization. Good short-term results with low vision may satisfy short term needs of the organizations for some time. Compelling vision, which produce some results have to be abandoned. Only a good short-term result that is effective can realize the vision of sustainable success, as seen in Figure 3.
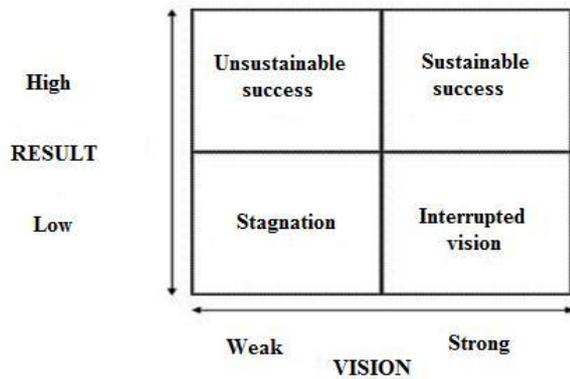
Fig. 3: Vision, a result of the success of sustainable transformational leader [Kotter, 1998: 27][4].

The greatest danger for the transformational leader is if he is afraid that he will not have enough time to manage the long-term changes, because they focus only on quarterly and annual results. However, those who are 50 years old and younger have the opportunity to provide many years of transformation, and leadership of the organizations. Successful transformation of the organization is the ultimate test of a leader, and therefore requires two skills: building coalitions and creating a vision. This is particularly important for a transitional period in which we live [Kotter, 1998: 27-33] [4].

Transformational leader must lead the organization step by step to a complete reorganization and market adjustment. It takes eight steps to complete the transformation.

1. Establish a sense of urgency
   - explore the market and possible competition
   - identify and talk with colleagues about possible crisis or crises, or major opportunities
2. Formulate a strong coalition of leading
   - create a group with enough power to lead change
   - encourage the group to work as a team
3. Creating a vision
   - make a version that directly supports efforts to implement the changes
   - develop a strategy for achieving that vision
4. Communicating the vision
   - use all means to promote a new vision and strategy
   - apply new behaviors on the example of leading a coalition
5. Support the vision of others to accept
   - remove obstacles to change
   - changes in the structure or system that seriously undermines the vision
   - encourage risk taking and nontraditional ideas, activities and actions
6. The plan to create short-term changes
   - noticeable performance improvement plan
   - create these improvements
   - recognize and reward employees involved in improving
7. Consolidate improvements and execute quality improvement of product performance
   - promote, educate and develop the winning spirit in employees who can implement the vision
   - refresh the process of change by introducing new social actors, groups and stakeholders
8. Institutionalizing new approaches
   - interact between new behaviors and organizational success of
   - ensure development and leadership functions in the dignity of the organization.

Organizations are changing for various reasons, but access to essential changes must be achieved step by step. The biggest impetus for change in the organization gives its leader with his leadership ability and it will lead to a certain purpose which was promoted by his vision and mission. These changes range from the top of the organization to lower organizational units, with the aim of adjusting the organization through transformational leadership, due to the changes in the environment. Often it is necessary to include new managers and chiefs who feel the need for change as an opportunity for the survival of the organization and who see that the status quo is unacceptable to the organization.

Key attributes of transformational leaders are shown in Figure no. 1: creativity, team orientation, respect for others, teaching, accountability and recognition [9]. Transformational leadership assumes the establishment of strong guiding coalition, because of the complex processes that are based on the individual's vision, his courage and willingness to learn and openness to followers and the values it supports [11]. A strong coalition includes the establishment of mutual trust and common goals to be achieved. Leadership that has to take part in these changes must be based on the transitional arrangements that are crucial for the effective restructuring of the effect of economic recovery and boom. Transformational leaders must be change agents and fully committed to the vision they have built and created. These leaders develop a vision for the organization, inspire and give a collective obligation of essential type for his followers to this vision into a goal towards which they move. Transformational leaders have the power to create and staff a new set of corporate values and culture. Transformational leader is an essential factor of development and corporate competence in relation to other social groups and actors, whose leadership is based on the transformation management, appropriate and stable conditions of environment demands efficient use of available production factors, equilibrium paradigm and anticipated changes in the long run.
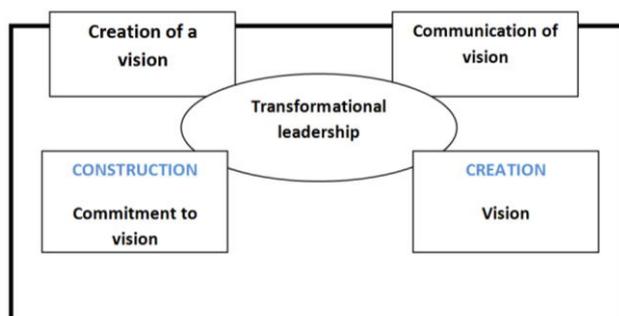
Fig. 4: Elements of transformational leadership [Heskett, JL, Sasser, WE, Schlesinger, LA (1997): The Service-Profit Chain, The Free Press: United States]

If we observe the transformational leader in an organization, over 80 % of his key activities in his area of its jurisdiction or change he has done alone: setting the direction of change, motivating and inspiring people, and about 20 % of followers and managers: planned, budgeted, organize and solve problems. Practice shows that the most elite universities in the world in the last twenty years give great attention to managers, and leaders remain neglected, so that their training is often a result of their own ability, desire, determination and personal qualities that are essential. Without the right leaders it is not possible to change the strategic position of the company, the character of the structure, performance and quality levels of satisfaction of customers, shareholders and interested stakeholders. Leaders are not created in ad-hoc situations, they must be educated, and there are theories that leaders are born, or that are destined for the top positions in the economy, politics, military, education, culture and other fields. In the literature there are different approaches to this issue. Peter Drucker argues that" the basic qualities of leadership cannot create or promote, teach and learn". On the other hand there are authors who claim that leaders are" created", not born. According to them leadership skills are acquired and not a matter of biological destiny, but a matter of choice. Leaders are born and created".

IV. FEATURES CHARISMATIC AND TRANSFORMATIONAL LEADERSHIP

The basis for a complete analysis of charismatic leadership was given by R. Haus. It is based on the views of the charismatic personality has special features, emphasized the structure of behavior backed by the reference sources of power and influence and certain discrete manifested tendency to influence others, to represent them and lead to real and perceived terms. Figure 4. Charismatic leaders have a high level of competence and confidence, ambition, will and conviction, charm and a tendency to dominance, openness and the need to act for the sake of higher interests. Simply, these are attributes of individuals with

pronounced dominance, self-esteem and conviction in the correctness of their views. Also, the research of university of Mebill considered that charismatic persons have ideal goals and a strong commitment to personal achievements. The defining characteristic of charismatic leaders can have dominant features, such as: the special sense of vision, the ability to effectively deliver the vision to his followers and the consistency and emphasized the need for vision and effort to capitalize on their own values [Nikezic, 2009: 127][12].

The paradigm of charismatic leaders is George Washington, who in the decisive moments of the American Revolution made decisions that ensured the creation of the future United States [10]. Namely, after the declaration of independence in the summer of 1776, there was a decrease in enthusiasm for the American people to struggle further for independence. Meanwhile, the British brought from Germany 1200 soldiers led by Colonel Rall," so called" hesence. In December 1776, General Horatio Gates Lloyd objected to continuing the fight with the British believing that the revolution failed and left General Washington. Before Christmas Eve, 24 12th 1776th George Washington decided that with 2,000 troops, the first time since the declaration of Independence on 4th July 1776th year, go against hesence"" and the British which was 20,000 in the village of Trenton next to New York believing that they will celebrate the Christmas night and be unprepared for the fight. At this point, crucial to the Revolution, his charismatic personality has come to full expression. New York had been already conquered by the British, Congress withdrawn from Philadelphia and the only free town was Baltimore. After a cold night he came to the hungry soldiers and told them that this is the crucial battle for American independence. He was supported by Colonel John Glover and his" fishermen" with spears. At a critical time before the action Colonel Glover, supporting Washington's generals criticized the General Henry Knox that is fat, and the army had not eaten almost anything for three months. This has caused great excitement among soldiers and a large share of General Washington's support. The soldiers looked at him as a leader, but also as a fellow who shared with them the good and evil. The victory was won, a single American soldier was not injured. After the battle, this ended successfully crossing the frozen Delaware River and the utter defeat of the British and the Germans, General Washington as a true leader and army commander visited severely wounded Colonel Johann Gottlieb Ralli who had already died on 26.12.1776. General Washington, although he was an opponent and it depended on the survival of the American Revolution soldier buried with honors.

Another American from that time and the closest associate of George Washington, Benjamin Franklin, scientist, inventor, author of the Declaration of Independence in 1776, and President of Pennsylvania, is remembered as a charismatic figure that is with his

honorable life gained great confidence in these difficult times of fighting for the American independence. He believed that man should have thirteen virtues that should be respected and to obey. These are virtues that can still be applied to people who want to or can lead others to a higher purpose: moderation, work, silence, determination, thrift, diligence, honesty, fairness, decency, chastity, calmness, wisdom and humility.

Maybe George Washington was the forerunner of modern leadership, thanks to the strength of its own authority, the spirit, ingenuity and charisma and less effective political and military power and authority which is managed. However, it would have been the emergence of leadership as a phenomenon linked to his personality. This means that the embryo of leadership we seek in the ancient world, mostly in ancient Greece and Rome, as in Oriental despotism with regard to the character of the ruler's power and the deification of the ruler was not the personality of the leadership, except for the despotic power of rulers.

In ancient Greece and Rome, the ruler's power was not as rigorous and oppressive as in the East, moreover, the organs of state power in certain periods have been constituted and functioned in a fairly democratic basis and in the republican tradition (Sparta, and most of the Greek polis, Rome during the Republic), and it is known that the democratic constitution of Athens even today represents the ideal to be pursued by the modern democratic state and that the Athenian democracy, and today is the wellspring from which are powered by modern political and legal doctrine. In such a socio-political environment, there is a favorable climate for the emergence of charismatic personalities (leaders in the contemporary meaning of the word), a statesman, a true leader of masses and popular tribunes, generals, orators, lawyers, politicians, who are to become due primarily to moral and the intellectual force of their personalities, personal initiative, ingenuity and democratic relation to those who were led by them, ready to listen and accept other opinions. There is a wide range of the ancient leaders (the most nobly meaning of the word), we will mention only some, not pretending that our choice is the best one, but to properly illustrate our thesis about the origins (and perhaps the right leadership) in antiquity. In Sparta, which has all along been an aristocratic republic, and who set the standards of morality, patriotism and collective solidarity so high that no one before or after it has not conquered, there was a whole constellation of leaders-leaders, such as the legendary leader and legislator Likurg, basileus Lacedaemonian, Menelaus, Leonidas, Cleomenes and others. In Sparta, the authority of leaders was formed under unique specific circumstances. The reason for their existence was torn between two irreconcilable extremes" defeat the enemy in battle or fall from his hands," [Markovic, 2008: 175] [6]. Legal and moral rules Spartans have unconditionally obeyed, which tells the story Xenophon, arguing that the Spartans should be" nice" to die

[Xenophon, 1988: 38], before to live without glory, because the battlefield was a disgrace" escape" [Xenophon, 1988: 32]. In these moral, patriotic and collectivist postulates, where everything was subordinate to state reasons, and even family relations and so subtle, such as feelings of love and physical attraction between men and women, arose the leadership and management skills, which is very close today's leadership.

In Athens, especially in its democratic period, the function of the leader and the leader of a democratic nation or state body has a more democratized and more relies on the personal authority of the leader, his moral and intellectual profile, inventiveness, courage, determination, resourcefulness and ability to offer more appropriate solutions for each individual situation, and a willingness to accept different opinions if it contributes more to adequately resolve the problem. In democratic Athens, everything was located in the orbit of free citizen-individual, even the process of governing and leading a nation. History of Athens is rich with examples of true leaders in political, military and any other plan. Great statesman, a greater reformer and one of the seven Greek thinkers, Solon is an example of leader and leadership, acquired outside domain of political power and authority of state organs. Solon's leadership was based on the then enormous internal values of his personality and not imposed by external political or military authority. For his unimpaired prestige and high reputation among the Athenians we can see from the fact that he was a thorough reformist of the society entrusted with the same passion for rich and poor. In gratitude for the successful reform rendered the Athenians built a monument to him and crowned him as the inscription - agios nomotetes ("sacred" the legislator). Solon was a great national leader, but not far behind Cleisthenes, Pericles, Alcibiades, Aristides the Just, Themistocles, Miltiades, Demosthenes, and Dr. Kimon. To this number should be added and the whole Pleiades of Athenian demagogues (this term is now often wrongly used in pejorative sense), people's leaders, gifted speaker, which were in their memorable speeches exercised a strong influence on the political life of Athens and social importance Ksenofont (1988)[5]. The focus of the entire political and social action in Athens, and therefore the leadership, people management skills, there is freedom (eleutheria) and freedom of thought and speech (parresia). Thus, the Athenian leadership is in complete accord with the ethical ideals of the Greeks-harmony (kolakogatijom). Ancient Greece affirmed a fundamental ethical principle in the process of leading the people and the state and promoted the highest possible level of interaction between general and particular interests – citizens and state [Markovic, 2008: 203][6]. On these postulates lays modern leadership, or at least should be based.

In ancient Rome, especially in the era of the republic, national leaders and government officials were required to possess traits that differentiated them from the mass

of those who have been led or managed. In short, they had to live a life of virtue. Roman leadership was based on the leadership of the Greek, but I was more focused on pragmatism and its material components, rather than doctrinal abstractions and ideal of harmony and virtue of law, general and individual interests. The Romans also had their admirable leaders even today. We will mention only some, and above all to those who have the power of his personality, his moral and spiritual profile gained the glory to become national leaders. Mania Courier Dentate (winner of the Third Samaritan War), originally" snob" (homo novus), had seized the high position owing to its own qualities and support plebs. His biography has for centuries been an example" of Roman simplicity and moderation in their personal lives" [Maskin, 2005: 105][7]. It is not only the origin that is sufficient in order to become leader of the people, but it is much more important that leaders be brave, honest, modest, easy to conduct, behavior, talented, innovative, public-spirited interest, witnessed the greatest biographies of national leaders of the Roman tribunes and commanders. They were not patricians, but" snobs": Guy Mary Grassi brothers (Tiberius and Gaius), Marko Livius Drusus the Younger, Cicero. Patrician background didnt adorned even the great moralist - Portion of censors Mark Katona, who has performed the duties of censor with such precision and rigor, which evolved into a legend, and his biography was without blemish in the paradigm of Roman morality through the centuries. Another great leader was neither a patrician nor plebeian, but ordinary slave. His name was Spartacus, leader of the largest slave uprising in the whole history of Rome, which has shaken the foundations of the old century's most powerful state.

From antiquity leadership never ceases, but only took on new contours and promote new values, which need to have leaders of the people and holders of political power. As in much of the middle Ages dominated church doctrine and the theory of predestation, by which everything is predetermined, and the reward comes only in the world after this to the merits what is done in this life. In the first centuries of Christianity, the most important leaders of the people appear to be the church fathers. The doctrine of the divine origin of the ruler's power strengthens a person as God's chosen ruler of the country, which narrows the scope for other forms of leadership, except for purely political-ruling father leadership. Add to this the doctrine of the Christian state and the frequent occurrence of fanatical fideism, which produces intolerance in the political plane [Faso, 2007: 354][2], it becomes clear why the leadership in the Middle Ages stagnated relative to antiquity. Studies have shown that the whole set of personal values and the capacity to influence the behavior of others, their commitment to achieve the goals and personal satisfaction. Viewing" set" charismatic leader skills is given in Table No. 1

Table 1: Set of the attributes of charismatic leader [Nikezic, 2009: 108][12].

1. Confidence. Charismatic leaders deeply believe in their own thinking and ability.
2. Vision. Charismatic leaders have an idealized goal that takes precedence over the present. The difference between the desired and current state of the attitude of the followers of the visionary qualities of leaders
3. Ability to express a vision. Charismatic leaders are able to successfully explain and present a vision. Ability to express the vision shows the ability of leaders to understand the needs of followers and to motivate them.
4. Strong belief in a vision. Charismatic leaders are willing to risk, sacrifice and commitment to achieve the vision.
5. Unusual behavior. Their behavior is not conventional, but unusual and it is outside the existing rules and norms.
6. They appear as change agents. Charismatic leaders are the bearers of radical changes and requirements. They are not advocates of waiting and keeping the status quo.
7. Sense of the environment. Charismatic leaders realistically assess the impact and limitations of environment, as well as events that can cause certain changes.

Switching from transactional leaders to transformational leaders is not an easy process or a process that can be achieved quickly, by pressure and directive. This shift implies a change in complex mental seed in corresponding changes in awareness, the development of certain desire to bring change, overcoming new significant skills, knowledge and implementation of acquired skills, feedback, and gaining new abilities and predispositions. The figure no. 5 shows a model of "transition" elements of transactional style into transformational style.
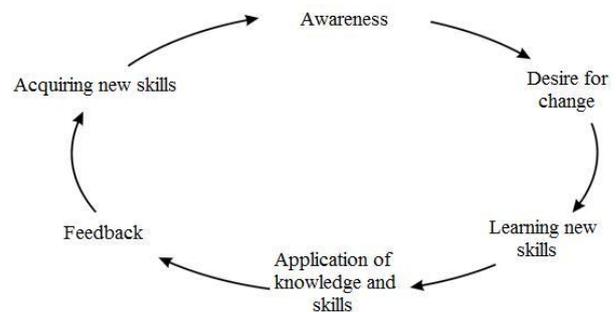
Fig. 5: Model changes of leadership content [Nikezić, 2009: 213][12].

There is no doubt that the transformational style used in the special conditions of business enterprises. Thus, for example, transformational style is applied in

conditions of high intensity and change of major form or scope changes, as could be seen in Figure 6. However, it is not really needed in a situation where a high coverage of organizational change, but its weak intensity, or a high rate of change, but low coverage. Transactional style is applied under relatively low intensity of change and its relatively low coverage. The mechanisms of this style are based on the exchange of "identity" enable efficient function of enterprises and relatively easily adapt demands. The changes being implemented are of incremental nature, step by step, based on plans and standard procedures. Possible changes in the nature of the request and the discontinuity cause changes of transformation techniques and the usage of transformational leadership. Practice shows that in these situations, companies make strategic changes in highest levels of companies, involvement of new individuals, experienced leaders, or they start and finance the transformation with the existing structure.

In the combination of two organizational changes, such as intensity and extent of changes, according to trends and their habits, we can apply the concept of transaction and transformational styles. The figure no. 6 shows the styles change from incremental improvements to the transformation [Nikezic, 2011: 215][8].
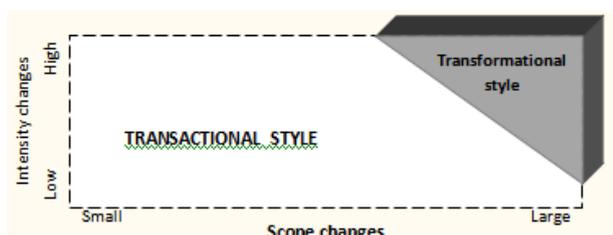

Fig. 6: The application of managerial styles in different types of changes (from continuous to discontinuous) [Nikezic, 2011: 215][8].

Thus we can conclude that the different type of organizational change requires different types of elements. In terms of continuous development of enterprises, the transition from one lifecycle stage to another, the most appropriate approach is transformational approach. In terms of discontinuity, radical change is an appropriate example of the transformational approach, whose skills and abilities go beyond the usual norms and rules. Moreover, discontinuous changes call into question the "standard" interpretation schemes and require changes in existing cultural facilities. This is the direction that company is ready to follow, ready to maintain and develop the dominant paradigm in terms of discontinuity.

V. ANY CHANGE OFFERS NEW OPPURTUNITIES

The creation, promotion and operation of transformational leaders are not always just the evolution of leadership styles, based on transactional

rules, which otherwise, inherent management whose actions provide the expected results in a stable living environment. Transformational leadership occurs because of the environment pressure which is characterized by major changes, uncertainty, discontinuity, and requires direct stakeholders of the company to achieve high profitability and effectiveness. Transformational leaders are set by:

➢ new organizational conditions,
➢ more complex structure of social actors,
➢ groups and organizational units,
➢ changed technical-technological base, in the part of production and processing of information's,
➢ changed market focus and orientation of the consumer value and satisfaction,
➢ innovative culture and reduced resistance to change,
➢ participation structures and expanded knowledge and spectrum
➢ Efforts to achieve Excellence through competitive superiority and domination [Stefanovic, 2007: 52][15].

Under these conditions, transformational leadership is based on the vision, the ability to communicate to other social actors, clear principles of decision-making and implementation, ability to acquire knowledge, respect and understanding of its followers. On this basis, transformational leaders tend to use specific models for the effective positioning of their companies:

1. The reactive model,
2. Model changes in internal environment,
3. Model changes in external environment.

The reactive model can be effective in the short term, since leaders are waiting for changes and react to them after. They apply it in the stable conditions, non fluctuation circumstances, when the options are known and when the range of the particular phenomenon is reduced.

In the model changes of the internal environment, the leaders base their actions on forecasting standards and active participation in changing environment that involves a reduction in work force or means of certain organizational units and selection of support in their development or maintenance. Changes in internal environment are carried out ex-ante in relation to changes in extreme environments and allow leaders to equip their organizations for future roles or environment pressures.

Model changes in extreme environments means that leadership participates in changing the environment for their own needs. This can be achieved through lobbying, advertising, innovation and coalitions with other market participants. Finally, the model of linking internal and external environment with the help of negotiation and bargain with other partners where both environments harmonize with each other and change creates opportunity to participate in changes that will provide new chances [Stefanovic, 2007: 52][15].

Analyzing changes in the turbulent environment which always provide new opportunities for leaders it is necessary to establish transformational categories of leaders so that given chances in the future represent realized possibilities. There are four categories of transformational leaders who differ in the way of accession to the resolution of tasks and goals which they want to achieve:

1. The intellectual leader, see the ideas and values that transcend the immediate, practical needs and always change and transform its social base, to keep in time with and it is in a conflict with the status quo in the organization. It has a vision to transform society by raising social awareness.

2. The Reform leader requires the participation of a large number of allies with various reform and unreformed goals, which usually originate from the leaders. Then he is often faced with divisions in the organization and his opponents are informal groups of organizations that fight against the leader and his reforms and seeking retention of the status quo in the organization. They are afraid of changes and their positions in the new reformed organizational structure. Transformational leader must with his moral dignity to provide support in the organization for his changes, and to increase daily number of his followers. Besides his moral characteristics reform leader must have a sense of social organization that he manages and to hold to ethical principles in his work, which are socially useful.

3. The revolutionary leader, as a transformational leader requires of its employees to fulfill their obligations, perseverance, courage and selflessness. He is a reformer who sees any change as a new possibility of prosperity of the whole, therefore, his powers as a leader he transferees to the entire organization. It has a strong sense of vision and mission. Often, if he is not a leader of economic organizations, he appears as a political leader who motivates the masses to revolt in the service of the revolution. His changes are profound and can cause earthquakes in all parts of society. Often it comes to social and political changes in the system.

4. Charismatic leader often is treated in a theory as a transformational leader, but with special skills that gives him a greater prerogatives and personal charisma. As an example of charismatic leaders in the beginning of chronological study of the history it is often referred to Moses.

Fig. 7: Transformation of leadership styles by James MacGregor Burns

The changes that occur in organizations or in society leadership implications do not always represent the chance for new opportunities. Burns's" amoral" leader does not have the chance of new changes that are beneficial to the organization and society. He fights for brute power and it cannot be either transactional or transformational leader, but he can be the leader of the masses, but this leadership always has a tragic end to his own people (Mussolini, Hitler, Pinochet, and Stalin). Transactional leader has moral values, and his wishes and needs, and aspirations to the set particular goals to his associates, to realize the value and satisfaction for the organization and society as a whole. His followers have adequate knowledge and he has ability to choose between his followers of different alternatives who will be in charge of set goals, and who will move towards their realization. Transactional leader is taking responsibility for his responsibilities, often as a transformational leader he find new opportunities in changes, but only on moral principles. Transformational leader transform moral values into the leadership taking into consideration: justice, freedom, team spirit and gender equality, Fig. 7.

According to Edgar Schein [14] transformation creates a change in the company's corporate culture and the way of how to design an organizational structure. The leader pays attention in any change of measures that are taken in the organization, he control them and sends symbolic signals of corporate culture so that set tasks will be achieved on the easiest way and achieve the stated goal.
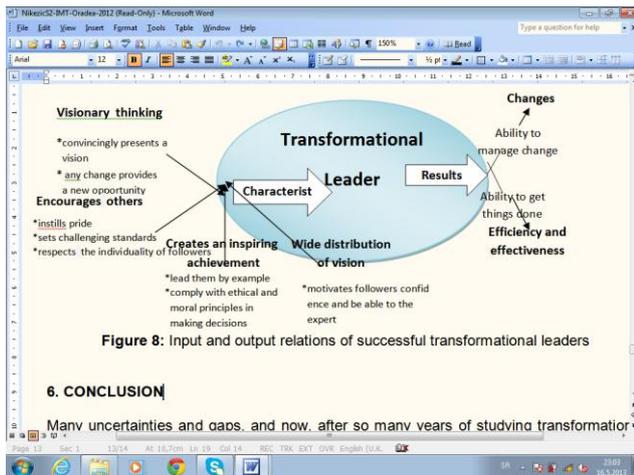
Fig. 8: Input and output relations of successful transformational leaders

VI. CONCLUSION

Many uncertainties and gaps, and now, after so many years of studying transformational and charismatic leadership, and leadership in general, exist in the theoretical principles and practice [Heck and Hallinger, 1999: 463-487][3]. The fact is, that the changes in environment are complex and they seek vision of individuals, courage and willingness to learn, to work on the basis of radical changes that take place and that he is willing to accept risk and uncertainty. Many scientists and managers in global companies over the last forty years have given a considerable contribution to the promotion and acceptance of leadership in theory and practice. From 1978 we can see advance in the study of leadership in stride. Positioning came from essential position of a leader who used his knowledge and strategic position enabled his followers to raise the level of performance, the character structure of enterprises and quality customer satisfaction. Training started from the highest levels of organization and included many scientific institutions in the world that provided support for practical settings, Fig. 8. Nowhere as in the theory of leadership have practice and theory in the last forty years been so closely linked. Transformational leadership will continue to evolve in the coming years and will probably lead to even more professional and theoretical debates, especially in times of crisis we are in and with the emergence of large global companies from China, Russia, India and other countries whose way of managing large companies are still in the initial stage of analysis. It will appear in various theoretical, eclectic methods, both in theoretical debates and in practically managing the company. It will be necessary to prove empiric theoretical approaches. In terms of transition of economies transformational leadership is the key to the additional effects, efficient restructuring and economic recovery. Transformational leadership is leadership that affects members to achieve extraordinary performance in the context of significant innovation and change. The qualities of transformational leadership are: vision, charisma, symbolism, promotion, intellectual stimulation and integrity.

Leadership enhances the conditions of turbulent environment, strengthening the processes of globalization and the efforts of companies to changes in the organization, management structure, and technology base and preserves product quality and improves competitiveness and meets the challenges of modern business.

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