

# Investigating the Insightful Leadership Effect on the Organizational Silence Elimination of Bank Mellat

Ali Akbar Ahmadi<sup>1</sup>, Leila Hamidi Moghanjoughi<sup>2\*</sup>

<sup>1</sup>*Professor of Tehran PNU University, Iran*

<sup>2</sup>*Msc in Public Administration, Human Resources, Payame Noor University, Tehran, Iran*

\*Corresponding Author Email: [l.hamidi1984@gmail.com](mailto:l.hamidi1984@gmail.com)

**Abstract:** Leadership is one of the principle concepts in social administration and it is adjunct with social evolutions, because the principal and discipline of any society and organization is based on it and advancement of social objectives and reach to its favorable would not be possible without leadership and management. One of the inspirational approaches in leadership field is called insightful leadership. Insightful leaders are people who create pictures from the future; they are people with high insight and attempt to induce sense of purposefulness to their followers. This research studies the effect of insightful leadership to eliminate organizational silence of Bank Mellat employees in Tehran. Current study in term of purpose is an applied research and in term of method, it is a descriptive survey research. Number of samples is 200 employees of Bank Mellat central building in Tehran that they were sampled randomly and by T student test and with the help of SPSS software investigated the effect among the hypothesis. The results of the research show that the factors of insightful leadership (such as foresight, patience, risk taking, empowerment and motivation) have impact on organizational silence of Bank Mellat employees in Tehran.

**Keywords:** Insightful Leadership, Organizational Silence, Bank Mellat Employees.

## Introduction

Leadership has been a basic concept in society and is adjunct with social evolutions, because the principal and discipline of any society and organization is based on it and advancement of social objectives and reach to its favorable would not be possible without leadership and management. Undoubtedly, leadership and management need is a concrete and outside fact that even human excellence depend on it. Leadership issue has been considered by many people and groups during the history and it was important for each one for some reasons, some to get rid of oppression, some to achieve devil goals and others to reach maximum interests and use available facilities and etc. they seek to find a wise, intelligence and strong leader (Javadi Amoli 1997). In this research, we want to study the effect of insightful leadership to eliminate organizational silence in Bank Mellat.

During the two current decades, new approaches were created in leadership field in organizations that researchers called them new-charismatic leadership and also inspirational approaches in the leadership field that one of this approaches was called insightful leadership (Sashkin & Sashkin 2003). Insightful leadership has been discussed as an important concept in leadership literature since 1980s. Insightful leaders are individuals who create some images from the future, they have high sight and try to induce a sense of purposefulness and directed to the followers. They view to the far away and have a deep time horizon. They are innovative and creative and always seek to make a change. Insightful leaders create amazing perspective from the future and transferred them to the followers by inspiration and motivation. Insightful leadership required to pay attention to the principal value,

comprehensive and basic perspective, employees' empowerment and innovation. In another definition, insightful leadership was stated as follow: leader ability to create, act and guidance of a long term prospect for the organization that originated from changing needs. This action, with a clear statement from a prospect, associate with long term outlook, coaching management style, cooperative change, employees' empowerment and planning and performing organizational change. Studying individual behavior in workplace has been considered by scholars of management knowledge from a long time ago (Robins, 2007). So that leaders increasingly expect from their employees to engage in taking innovation and responsibility acceptance because of growing competence, high expectation of costumers, quality orientation that is the result of a changing world. In such an era, organizations need individuals who show an appropriate reaction for environment challenge, they do not fear to share knowledge and information and they rise up for their and their team believes to be surviving. However, these statements emphasis on empowerment and communication channel again, but so many employees reported that their organizations do not support communication, knowledge and information sharing that these are the reasons of the fail of management changing plans. Specially, lack of information and trust are the main barriers of changing plan that called "organizational silence" by Morris and Milliken (Bouradas & Vakola, 2008). Silence is accounted as an important singe of illness, stress, oldness, depression and or fear and managers should seek to find its origin and eliminate it. Neglect to this issue can cause to more dangerous event and even death of organization.

The most important reasons of organizational silence are: 1) fear from statement that involve punishments, death, deprived from achievements, fire from organizational position and etc. 2) afraid of senior managers' inattention and fear about that the idea and opinions remained unused. In the worst situation, managers may not read provided ideas and in the best situation, senior manager may read the ideas but reject the ideas with insufficient reasons and unjustified interests. 3) Having ideas without award: when organization does not pay any award for provided ideas that have been used and be effective.

Human resource is one of the effective factors to promote and progress organizational goals that creating suitable situation for dynamic communication between managers and employees is a strategic issue of management. In recent years, to create partnership approaches and state idea and opinions in line with organizational behavior are placed a progressive approach for business competitiveness of organization and resource management. In order to be able to use others' ideas and opinions in a usefulness manner, it's necessary to provide an appropriate settlements and required infrastructures for employees. As such, insightful leader usage can be useful to eliminate organizational silence.

In spite of the fact that employees silence became a common phenomenon in organization, but it is a concept that not known so and few studies were done about it. So insightful leadership can overcome to this silence by using some mechanisms (Peters & Austin, 2013). Therefore, regarding to the mentions, necessity of above issue became more in competitive situation, because respect to insightful leadership principle can eliminate organizational silence of employee in Bank Mellat that finally lead to partnership, more cooperation of personnel and more successfulness compare to competitions.

### **Research objectives**

General objective of the research is the effect of insightful leadership role to eliminate organizational silence in Bank Mellat.

### **Research secondary objectives**

- 1) The effect of foresight on the organizational silence elimination in Bank Mellat
- 2) The effect of insightful leadership on the organizational silence elimination in Bank Mellat
- 3) The effect of risk taking of insightful leadership on the organizational silence elimination in Bank Mellat
- 4) The effect of insightful leadership empowerment on the organizational silence elimination in Bank Mellat
- 5) The effect of leadership motivation on the organizational silence elimination in Bank Mellat

### **Review of the literature**

**Leadership definitions:** Leader is persons who have the most impact on a group. Leadership is the effectiveness beyond the mechanical adherence from the usual and repetitive orders (Khalili Shorini, 1994). Leader is a person who has the best awareness about norms that have the most value in the group. His conformity gives the highest rating to him and this cause to attract people and inexplicitly it create the right to control the group for him (Moshabaki, 1998). Islamic researcher had provided various definitions in term of leadership: some assumed that the leadership is the same as Wali Faqih and also others consider it separated from Wali Faqih or Imam and provide a definition for it. Some of these definitions are: leader is someone who facilitated the way to achieve objective of

group (Motahari, 1989). Insight is quoted on several meanings for the word including: eyesight, wisdom, acuteness, consciousness, insight, awareness, eye of wisdom.

**Insight and the way to achieving:** Discernment or insight is a kind of internal sight that different from appearance eye and is not able to receive by eye or body appearance organs. Insight is power and force of heart that creates by the help of divine light and understands the true an inside of the affaires so that they are. With insight, human recognize true from false and right from wrong easily. People listen, look and see, with insight by the help of divine power that given to them and benefit from lessons and go to the light and clear ways and as such be safe to fall in cliffs and landslides (Javadi Amoli, 2000).

**Insightful leadership:** Sashkin define the insightful leadership theory so that: insightful leadership refer to leader's ability to define an idea clearly (prospect) for organization, transfer it to followers and help them to realization. Also in another definition, insightful leadership defines as: leader ability to create, act and guidance of a long term prospect for the organization that originate from requirements of environmental variable. This action associate with a clear statement of a prospect with long term vision, coaching management style, partnership change, employees' empowerment and planning and performing organizational change (Anderson & Alliger, 1994).

**Theory of insightful leadership:** Theory of insightful leadership for first time has been stated by Sashkin and it is a comprehensive and incorporated approach to perceiving and evaluating leadership. Insightful leadership that Shaskin mentioned has three meaning.

1) Leader is able to create long term prospect from what his/her organization can and must to do. These prospects usually became short time periods.

2) Leader understands the main and key of a prospect and what a prospect can be include as a director.

3) Leader can create a prospect in convincing and strong manner and transfer it in a way that followers accept it friendly and at heart.

### **Insightful leadership roles**

Nanos considers insightful leaders roles as follow:

**1- Director:** In this role, leader selects and explain an objective in outside environment of future in a way that organization should be direct its energies in that way. Insightful leader in order to be a good director should be able to set a way that the others will recognize as the real progress of the organization. Progress can be a clear step to forward in efficiency and effectiveness and that can be consider as concept to increase service ability to a new collection of customers, or as a progress in a new technology or product area. If leader be success in a director position and set an attractive prospect, all members of the organization will tend who help the leader to realize it (Nonos, 1998).

**2- Changing factor:** Leader is responsible in internal environment about rapid changes to make achievable the prospect in future. In order to the leader be a good changing factor, he/she should be able to predict outside world and evaluated their application in the organization (Nonos, 1998).

**3- Speaker:** Leader is a professional speaker, interesting listener and a perfect symbol of organization prospect and its main supporter and negotiation party beside organization interests and its prospect with external party (Nonos, 1998).

**4- Coach:** Leader is a team maker who empower people in organization and vitalize the prospect in a kind of emotional sense form and in this way he is a counselor and a pattern for all of them whom their attempts is necessary to realize the prospect (Nonos, 1998).

### **The relationship of insightful leadership and organizational silence**

Insightful leadership is one of the most important and challenging concept of management. Organizations can not to achieve their prospect and goals without an efficient leader that have in mind. Leader ability to create, perform and guidance of a long term prospect for the organization have been originated from environmental variable requirements. This action associated with a clear statement of a prospect with long term view, coaching management style, cooperative change, employees' empowerment and planning and performing organizational change. Altogether these statements emphasis on empowerment channels and open communication, but so many employees reported that their organizations do not support communication, knowledge and information sharing that are the reasons of the changing management plans that called "organizational silence" by Morison and Milikin. In order to be able to use ideas and comment usefully, it is require providing an appropriate settlement and infrastructure for employees. For this purpose, use of insightful leadership can be effective to eliminate organizational silence.

## **Organizational silence**

Studying the behavior of people in workplace has been considered by management science scholars for a long time ago and with the appearing of organizational behavior field in early years of 1960s, this issue became more serious to divide behaviors from their causes. Discussions such as perception, motivation, career motivations, organizational commitment and etc. are cases that investigate the root of many human behaviors in workplace. Nowadays, organizations due to growing competence, customers' high expectation, quality orientation that resulted from changing world, have increasing expectation from employees to engage in making innovation and accepting responsibilities. In such an era, organizations need individuals who show an appropriate reaction for environment challenge, they do not fear to share knowledge and information and they rise up for their and their team believes to be surviving. However, these statements emphasis on empowerment and communication channel again, but so many employees reported that their organizations do not support communication, knowledge and information sharing that these are the reasons of the fail of management changing plans. Specially, lack of information and trust are the main barriers of changing plan that called "organizational silence" by Morris and Milliken. In many cases, believable fact is that employees do not have enough experience to understand and perceive important issues, they do not have power and authority, they are not good team-players and their behavior only can make problems and cause to create negative sense from their partnership. Ironically, managers believe that they encourage employees to speak clearly, but on the other hand, they use formal methods to talk down opposite comments of employees. Organizational silence related to the restriction of the effectiveness of organizational decision making and changing process. This is a problem that gripped organizations and cause to that many organizations suffer from employees' few comments. When something happened like this, decision making quality and the amount of change reduced. Also, organizational silence prevents effective changes and development by using negative reaction ban, hence organization would not have ability to investigate and correct mistakes (Miller, 2009).

## **Motivations of organizational silence and organizational voice**

Individuals in organizations often have ideas, comments and information to present constructive methods in order to improve their work and organization. These usages expressing concepts that called organizational voice. Someone presents the ideas and someone keeps quite their ideas and information and remains silent. Comments expression (organizational voice) or withholding of the represent (organizational silence) may be look like two opposite activity in term of behavior, because silence need to keep quiet and while organizational voice need to express problems and ideas in organization. But the fact is that silence certainly is not a phenomenon against talking but it is in the people motivation to avoid from information, ideas and comments representation.

## **Division of organizational silence**

According to the type of employees' motivation, silence organizations divided in to 3 set as follow:

- 1- Submissive silence: The motivation of this group is resignation, surrender and consent to all things.
- 2- Defensive silence: The motivation of this group is self-defense i.e. fear is the reason of staff silence.
- 3- Friendly silence: The motivation of this group is interest in other and creates an opportunity to cooperation

(Bienstock et al., 2003).

## **Main hypothesis of the research**

The main hypothesis of the research is the effect of insightful leadership on elimination of organizational silence in Bank Mellat.

Secondary hypothesis of the research

- 1) Foresight of insightful leadership has impact on the elimination of organizational silence in Bank Mellat.
- 2) Patience of insightful leadership has impact on the elimination of organizational silence in Bank Mellat.
- 3) Risk taking of insightful leadership has impact on the elimination of organizational silence in Bank Mellat.
- 4) Empowerment of insightful leadership has impact on the elimination of organizational silence in Bank Mellat.
- 5) Motivation of insightful leadership has impact on the elimination of organizational silence in Bank Mellat.

## **Review of the literature**

### **A) *Inside researches:***

1. Ahmadvand and Mostafavi's (2014) paper titled with "effect of insightful leadership component" determined that attention to patient of insightful leader can help organization significantly.

2. Moghli (2003) in a paper "designing insightful leadership pattern in administrative years of Iran" state that: According to the necessity of change and evolution in administrative system of the country, enjoying from insightful leadership pattern to create evolution in the structure, culture, procedures and other organizational components were recommended. This pattern can promote organization ability to set a communication and exchange in dynamic and turbulent environment. Also training and development of this kind of leadership practice facilitate organizational modernization process and creation of new organization and organizations located in dynamic and active situation.

3. Tafamizadeh- Ebili (1999) in a paper " measurement and effectiveness of management leadership style" stated that:

The concept of impact and influence on the members of organization is an important index to determine the level of management ability to direct individuals, change their behavior and finally achievement of organizational goals. So leadership behavior method in addition to human center, based on work and duty that this method should be selected by considering complexities, needs, goals, inside system and external environment of any organization and behavior should be appropriate with the situation of organization.

#### ***B) Foreign researches***

4. Volembao and et al (2012) in their research indicate that if manager be able to create suitable climax in the organization, attention to the high level of leadership has a positive and significant impact on express ideas and breaking silence.

5. Henrikson and Dison (2013), in their research showed that silence is mass phenomenon that people show little partnership in react to issues and problems and are indifferent to organizational behavior variables.

6. Moon and Dain et al (2014), also conclude that insightful leadership can cause to destroy organizational silence that employees express about the ideas, information and believes related to the work during it consciously.

7. Clarson et al (2011), in a research title with "the effect of insightful leadership on investment" concluded that the amount of management risk taking of organization has a significant effect on risk taking.

### **Materials and Methods**

This research is applied in term of purpose and in term of data collection is a descriptive method. Therefore is can be located in fieldwork research. In this research, statistical community are all employees in central building of Bank Mellat in Tehran who are 400 people and sampling was done by simple random method and based on Cochran formula that the obtained value of sample equals to 200 numbers.

**Introducing data collecting tools:** The tool to collect information in this research including questionnaire that professor Khaki method has been used to prepare questionnaire (Khaki, 2003). Insightful leadership questionnaire by using standard questionnaire that have 15 factors that including fore sighting (3 factors), patient (3 factors), risk taking (3 factors), empowerment (3 factors), motivation (3 factors) and organizational silence questionnaire by using Vakola and Borados (2005) that have 3 variables and 15 factors including: factor of organization top manager view about silence (5 factors ), supervisor view about silence (5 factors) communication opportunity (5 factors).

**Data and information analyzing method:** In this research, after collecting data and information by questionnaire, answers be coded and inserted in software SPSS. In order to analyze general data from descriptive statistics and for investigating conceptual model of T test have been used. Also, in order to investigate validity and stability of question, Cronbach's alpha has been used. For calculating Cronbach's alpha, Cronbach's alpha coefficient was used. For calculating Cronbach's alpha, by using following formula the value of Cronbach's alpha coefficient calculated.

$$r_{\alpha} = \frac{J}{J-1} \left[ 1 - \frac{\sum S_j^2}{S^2} \right]$$

The instrument that its Cronbach alpha is higher than minimum value, it is 70% means have suitable stability. In an elementary study with distribution of 40 questionnaires by using SPSS software and with Cronbach's alpha, stability of questionnaire equal to 0.812 has been evaluated. This evaluation regarding to that above the 70% is more, indicate that the used questionnaire has higher stability.

## Results

### Descriptive statistic

**Table 1.** Subject frequency in term of gender.

Gender	Number	Percentage
Male	114	57%
Female	86	43%
Total	200	100%

**Table 2.** Subject frequency in term of age.

Age	Number	Percentage
To 30 year old	44	22%
31 to 35	84	42%
36 to 40	24	12%
41 to 45	36	18%
More than 45 years old	12	6%
Total	200	100%

**Table 3.** Subject frequency in term of education.

Level of education	Number	Percentage
Diploma	32	16%
Associate Degree	52	26%
Bachelor degree	80	40%
Master degree and higher	36	18%
Total	200	100%

### Reasonable statistic

*The first hypothesis:* insightful leadership fore sighting has impact on the elimination of organizational silence in Bank Mellat.

*Statistical hypothesis of test are:* Insightful leadership fore sight has not impact on organizational silence in Bank Mellat.

Insightful leadership fore sight has impact on organizational silence in Bank Mellat.

$$\left\{ \begin{array}{l} H_1: \rho = \cdot \\ H_2: \rho \neq \cdot \end{array} \right.$$

**Table 4.** The results of T student.

Calculated T	Degree of freedom	Significance level	Error level	Test result
31.210	99	0.000	0.05	H0 Rejected

According to the T results of test and significant level is smaller than error level, so H0 hypothesis rejected, in other words, at the 95% confidence level, can be said that sample data do not enough imply on H0 conformation, therefore, with 95% coefficient, can be said that fore sight of leader has impact on organizational silence in Bank Mellat.

*Second hypothesis:* patient of insightful leadership impact on elimination of organizational silence.

### Statistical hypothesis of test are

Patient of insightful leadership do not have impact on silence elimination in Bank Mellat.

Patient of insightful leadership has impact on silence elimination in Bank Mellat.

$$\left\{ \begin{array}{l} H_0: \rho = 0 \\ H_1: \rho \neq 0 \end{array} \right.$$

**Table 5.** The results of T student.

Calculated T	Degree of freedom	Significance level	Error level	Test result
29.746	99	0.000	0.05	H0 Rejected

According to the results of the T test and significance level is smaller than error level, so H0 hypothesis rejected and in other words, at the 95% coefficient level, can be said that sample data has no more imply to conform H0, so with 95% coefficient level can be said that patient of insightful leadership has impact on the elimination of organizational silence in Bank Mellat.

**Third hypothesis:** risk taking insightful leadership has impact on silence elimination in Bank Mellat.

Risk taking insightful leadership has no impact on silence elimination in Bank Mellat.

$$\left\{ \begin{array}{l} H_0: \rho = 0 \\ H_1: \rho \neq 0 \end{array} \right.$$

**Table 6.** The results of T student.

Calculated T	Degree of freedom	Significance level	Error level	Test result
32.723	99	0.000	0.05	H0 Rejected

According to the results of the T test and significance level is smaller than error level, so H0 hypothesis rejected and in other words, at the 95% coefficient level, can be said that sample data has no more imply to conform H0, so with 95% coefficient level can be said that risk taking of insightful leadership has impact on the elimination of organizational silence in Bank Mellat.

**Fourth hypothesis:** empowerment of insightful leadership has impact on silence elimination in Bank Mellat.

Empowerment of insightful leadership has no impact on silence elimination in Bank Mellat.

$$\left\{ \begin{array}{l} H_0: \rho = 0 \\ H_1: \rho \neq 0 \end{array} \right.$$

**Table 7.** The results of T student.

Calculated T	Degree of freedom	Significance level	Error level	Test result
29.746	99	0.000	0.05	H0 Rejected

According to the results of the T test and significance level is smaller than error level, so H0 hypothesis rejected and in other words, at the 95% coefficient level, can be said that sample data has no more imply to conform H0, so with 95% coefficient level can be said that empowerment of insightful leadership has impact on the elimination of organizational silence in Bank Mellat.

**Fifth hypothesis:** motivation of insightful leadership has impact on silence elimination in Bank Mellat.

Motivation of insightful leadership has no impact on silence elimination in Bank Mellat.

$$\left\{ \begin{array}{l} H_0: \rho = 0 \\ H_1: \rho \neq 0 \end{array} \right.$$

According to the results of the T test and significance level is smaller than error level, so H0 hypothesis rejected and in other words, at the 95% coefficient level, can be said that sample data has no more imply to conform H0, so with 95% coefficient level can be said that motivation of insightful leadership has impact on the elimination of organizational silence in Bank Mellat.

### **Response to the research hypothesis**

In the first hypothesis, the impact of fore sight of insightful leadership on the elimination of organizational silence in Bank Mellat has been studied in which at 99% coefficient level can be said that the research hypothesis has been approved (H1).

In the second hypothesis, the impact of patient of insightful leadership on the elimination of organizational silence in Bank Mellat has been studied in which at 99% coefficient level can be said that the research hypothesis has been approved (H2).

In the third hypothesis, the impact of risk taking of insightful leadership on the elimination of organizational silence in Bank Mellat has been studied in which at 99% coefficient level can be said that the research hypothesis has been approved (H3).

In the fourth hypothesis, the impact of empowerment of insightful leadership on the elimination of organizational silence in Bank Mellat has been studied in which at 99% coefficient level can be said that the research hypothesis has been approved (H4).

In the fifth hypothesis, the impact of motivation of insightful leadership on the elimination of organizational silence in Bank Mellat has been studied in which at 99% coefficient level can be said that the research hypothesis has been approved (H5).

### **Discussion and Conclusion**

This paper investigate the effect of insightful leadership in order to eliminate organizational silence of Bank Mellat employees in Tehran with which mention 5 hypothesis as the forming component of insightful leadership to study the effect of these components to eliminate organizational silence, after preparation of questionnaire and collecting data from their distribution among the employees of the central building of Bank Mellat, hypothesis test was done by SPSS software that there was all components of insightful leaderships have significant effect to eliminate organizational silence of employees.

According to the importance of insightful leadership in today's organization in order to more maximum cooperation of personals for elimination of organizational silence, can point out the following factors:

- 1) Holding practical seminars and courses for employees about the application of insightful leadership principals
- 2) Encouraging employees for more cooperation with the aim to prevent organizational silence creation
- 3) Encouraging staffs to provide suggestions and critics about organization
- 4) Create friendly environment to support and protect employees
- 5) Avoiding from any kind of critic against comments

### **Some recommendations for future researches**

- 1) Done a study with added variables such as organizational atmosphere, organizational culture and etc.
- 2) Done a supplemented research in private banks

### **The research problems and limitations**

- 1) Inability to reach employees of all branches of Bank Mellat in Tehran
- 2) Research was done only in Tehran city

### **Conflict of interest**

The authors declare no conflict of interest

### **References**

- Anderson A, Alliger GM, 1994. Enhancing adaptability: leadership strategies to accommodate change in local government settings. *Journal of organizational change management*. 12(2): 134-156.
- Bienstock C, Demoranville W, Smith K, 2003. Organizational citizenship behavior and service quality “. *Journal of services marketing*. 17(4): 3-57.
- Bouradas D, Vakola M, 2008. Organizational Silence: A new challenge for human resource management; Athens university of economics and business. Pp.1-19.
- Javadi Amoli A, 1997. The ethic of agencies in Islamic government. Raja cultural publication center, Tehran, Iran.

- Javadi Amoli A, 2000. Human appearance and character in Quraan, Qom, Iran.
- Khaki Gh, 2003. The research methodology with thesis writing approach. Baztab publication, Tehran, Iran.
- Khalili Shorini S, 1994. Leadership theory of organization and its application in management. Publisher Qaem, Iran.
- Miller JG, 2009. Living systems: The organization. Behavioral Science. 17: 1-82.
- Moshabaki A, 1998. Organizational Behavioral Management. Terme press, Tehran, Iran.
- Motahari M, 1989. Tehran Imam and Leadership. Sadra publication, Tehran, Iran.
- Nonos B, 1998. Insightful leadership: creating attractive concept of guidance for your organization. Imam Hossein University press, Tehran, Iran.
- Peters TJ, Austin N, 2013. A passion for excellence: The leadership difference. New York: Random House.
- Robins S, 2007. Organizational behavior. Organization, 10<sup>th</sup> edition. Cultural Research Office, Tehran, Iran.
- Sashkin M, Sashkin MG, 2003. Leadership that matters: The critical factors for making a difference in people lives & organizations success. San Francisco: Berrett-Koehler Publisher, Inc.