# The impact of transformational leadership in facing strategic challenges in Pharmaceutical corporations in Egypt

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#### Abstract:

research aim to examine the relation transformational leadership and strategic challenges in pharma corporations in Egypt . the research problem that there are a shortage in applying the concepts of leadership in pharma companies in Egypt specially transformational leadership and its role in facing the strategic challenges . the population is all employees in Ibn Sina, Maphis, Cairo, Glasco and Nile and it were 20679 items and the sample is 377 items. the methodology used is multiple regression to examine the relation between the four dimensions of transformational leadership and strategic challenges . the findings are that there is a significant relation between the four dimensions of transformational leadership and strategic challenges.

**Keywords:** Transformational leadership, Strategic Challenges, Idealized Influence, Inspirational Motivation, Intellectual Simulation, Individualized Consideration.

## **Introduction:**

Now adays there are many leadership styles are used in companies, transformational, transactional and charismatic leadership. As for the meaning of leadership, there are various opinions among different researchers. Pfeffer (1977) finds that many of the definitions are ambiguous (Bass, 1997); and Spitzberg (1986) reports that the meaning of leadership may depend on the kind of institution in which it is found. In this dissertation, we only focus on leadership in businesses or organizations, therefore, some definitions will be ignored. James MacGregor Burns (1978) writes that a study of the definition of the word *leadership* reveals 130 definitions. However, several generally-accepted variations on the definition appear in the management and leadership literature. actually there is a need for leadership in order to face many challenges in corporations todays and specially the strategic challenges.

Egypt face many strategic challenges. Elbanna (2007) argues that strategic planning is "the development of a long-range written plan which covers more than 1 year for the effective management of environmental opportunities and threats, in the light of organizational strengths and weaknesses. Strategic planning should include formulating an organization's mission and/or vision, specifying long-term objectives and developing strategies which the organization plans to use to achieve these objectives." (Elbanna, 2007. p.228).

Organizations, whether governmental, private businesses, or non-governmental, are constantly faced with a series of challenges. These challenges present themselves in the form of a pressing market demand for services and goods, a public need or a cause that needs voicing and advocacy, or a change in the environmental, financial and political situations. (wassif, 2020).

In pharmaceutical corporations in Egypt there is aneed to new style of leadership in order to face strategic challenges and this what the research will examine at the following.

#### 1- Literature review:

# 1-1- Transformational leadership

The current environment become more complex , there are number of factors that make the environment need certain types of management and leadership styles. Organizations face internal weaknesses and external threats and both need fluent language of managing policies . in order to overcome the internal point of weaknesses and in order to face the external challenges managers need to be a leader use different styles of leadership in order to overcome strategic challenges . George R.Terry defined leadership as the relationship in which one person influences others to work together willingly on related tasks to attain what leader desire. Also o Donnell defined leadership as the process of influencing people so that they will strive willingly towards the achievement of group goals .

Actually there are number of leadership styles that manager or leader can follow for example; Authoritarian leadership, participative leadership, Delegative leadership ,Transactional leadership and transformational leadership . our scope will be on the different aspects of the transformational leadership style.

Bass (1985) argues that the reason for naming this type of leadership by this name is that it indicates the ability of the leader to transfer subordinates to high levels of performance and to achieve organizational outputs. Kark et al. (2003) suggests that transformational leadership means. in one form. transformation of a staff member into a leader by providing them with opportunities for career empowerment and independence. Avey et al. (2008) in this regard assured that transformational leadership means stimulating the employee in three areas: increasing the level of autonomy and personal confidence of the employee, and achieving social cohesion between the employee and the work group or organization, as well as by linking the organization values with employee values.

(Abazeed, 2018). Transformational leadership refers to leaders who seek to create ideas and new perspectives to create a new path of growth and prosperity in front of the organization. (Shahbazi, 2016). Burns (1978) and Bass (2006) define transformational leadership as a leader's ability to change the environment, motivation, patterns, and perceived work values of subordinates so that they are better able to optimize performance

to achieve organizational goals. This means, a transformational process occurs in leadership relationships when leaders build awareness of subordinates about the importance of work values, expand and increase needs that go beyond personal interests and encourage these changes towards common interests including organizational interests. The same thing was conveyed by Fairholm and Fairholm (2009), that transformational leadership focuses on changing formations and structures as well as the actors in the organizational structure.

According to Robbins (2008), transformational leadership is leadership that is able to inspire subordinates to put personal interests aside for the good of the organization. Transformational leaders, inevitably, have a tremendous influence on their subordinates. Transformational leaders pay attention to the selfdevelopment needs of their subordinates, change subordinates' awareness of existing issues by helping them see old problems in new ways, and are able to provide job satisfaction and inspire subordinates to work hard to achieve common goals. Yukl (2010) and Morse and Buss (2008) state that transformational leadership is a leader who is able to: 1) state a clear and attractive vision; 2) describes how the vision can be achieved; 3) act confidentially and optimistically; 4) shows confidence in followers; 5) use dramatic and symbolic actions to emphasize important values; 6) lead by example; and 7) empowering people to achieve the vision. Based on these definitions, it can be concluded that in transformational

leadership, both leaders and subordinates have the same perception in optimizing their efforts to achieve organizational goals. In this way, trust, pride, commitment, respect, and loyalty to superiors can grow so that effort and performance can be optimized. Clearly, transformational leaders seek to transform visionary into realizing a shared vision so that subordinates also act as leaders to make the vision a reality.( Jahidi, 2020)

Transformational leadership has been associated with the personal outcomes (Hatter & Bass, 1988; Barling, Moutinho, & Kelloway, 1998; Kirkpatrick & Locke, 1996) of the follower as well as organizational outcomes (Boerner, Eisenbeiss, & Griesser, 2007; Zhu, Chew, & Spangler, 2005; Jorg & Schyns, 2004; Barling, Weber, & Kelloway, 1996; Howell & Avolio, 1993). (Givens, ---)

Researches have been defined dome different characteristics of good transformational leader as follow: according to Jahidi 2020, Transformational leaders are able to encourage subordinates to achieve goals beyond those that have been set, in general, the achievement of performance in the organization becomes higher. Transformational leaders also tend to have followers who are committed and satisfied with their leadership. In addition, transformational leaders are able to empower followers and pay attention to the needs of their subordinates and personal development in order to be able to develop their leadership potential.according to Shahabazi,2016 there are eight characteristics of transformational leaders as follow leaders can affect counterparts and superiors like

their subordinates. The process of transformational leadership roots in values and personal beliefs of the leader. However, in this process, goods are not exchanged between superiors and subordinates, Such leaders are inspired by their deepest personal values (like justice, fairness, honesty, and honor). Burns remembered these values as ultimate values. Ultimate values are so that one cannot bargain over them or exchange them. By delivering ultimate values as personal standards, transformational leaders create harmony and unity among their followers and more importantly, they arrange changes in goals and personal beliefs of followers in line with organizational goals (Eskandari, 2014, p. 126), Transformational leadership is inspired from heart and mind and shows them, Transformational leadership has a perspective and links that perspective with passion and purpose. Transformational leader allows his/her feeling to talk to others in a way beyond the mind from depths of its entity, Transformational leadership pays attention to staff's personal attentions to use them and create trust and commitment. It is about caring staff, what they want, and how you can help them and Transformational leadership refers to obtain a great power through the mind. Mind becomes curious, becomes open to new ideas and learns constantly (steven corey, 2007, p.10).

There are many studies that define the dimension of the transformational leadership such as; Alqatawenh, 2018, Naeem and Khanzada, 2018, Gonfa, 2019, Lan, Chang, Ma, Zhang and Chuang, 2019 and Givens, 2008. All authors agree that

transformational leadership has four dimensions; Idealized influence, Inspirational motivation, intellectual simulation and individualized consideration. According to . Lan, Chang. Ma. Zhang and Chuang, 2019 the following are the definitions of dimensions: According to Bass [8], the factors and facets of a transformational leader include: Idealized influence means a leader will be respected and trusted because of his/her selfconfidence, attitude of ideology or dramatic and emotional acting. The leader should have a vision and passion that can make his/her subordinates follow his/her orders sincerely, Inspirational motivation means a leader can use his/her charm to convey the goal of an organization, resulting in subordinates' optimism and hope regarding the development and future of the company; working motivation and coherence are the final purposes, Intellectual stimulation means a leader should encourage his/her subordinates to enhance their knowledge, creativity, and ponder deeply about problems and Individualized consideration means a leader respects and cared for his/her subordinates. Subordinates will feel like an important part of the team and subsequently will work harder.

## 1-2- Strategic challenges:

Strategic challenge is any difficulty face the organizations and countries according to strategic barriers the following section review some studies that show strategic challenge concept and some strategic challenges in some countries.

Sorribes and Boyer, 2019 clarify the cure and solving the problem of strategic challenges in tourism sector as follow" As an example of continuous improvement, we will like to stress the educational value of foreign language subjects design to guarantee not just oral language competencies among our students but to promote as well the cross- cultural relationships that the international tourism industry must provide nowadays. In this sense, it must be stressed that beyond the communicative function that languages possess they constitute a sample of the cultural diversity that characterize each human community. Therefore, language is a very powerful tool for approaching the countless cultures and their evolution over time"

Also they stated that Good foreign language skill and an openminded attitude towards cultural diversity and interpersonal understanding, combined with effective management practice is the most fundamental way to train our student community and to guarantee their professional future.

Also Aggrawal ,2000 stated that in recent years the US has also suffered from low expenditures on non military research and development as percentage of GNP wne compared to the percentage spent by such competitor as west Germany and Japan

Boya and Sorribes, 2020 stated according to challenges the following Good foreign language skill and an open-minded attitude towards cultural diversity and interpersonal

understanding, combined with effective management practice is the most fundamental way to train our student community and to guarantee their professional future

he way the business schools are run is not well-suited to handle the changes and the chaotic situation which the corporate world is in today. Usually, MBA programs aim at developing analytical and rational decision- making skills and students who take up such courses tend to focus more on career growth, become self-centered and even mercenaries. An MBA graduate usually connotes a dynamic, go- getter with a killer instinct. There is very little focus and limited recognition, that management is as much art as science. The new challenges and scenario which the organizations and managers face, call for a rethink on what is taught and learnt as students of management. Baporikar, 2008)

also stated that The challenge is to find answers to the questions of how to create excellence in management education. Moreover, the pace of change accelerating more and more and the corporate world becoming complex, the road map needs to carefully drawn. This is easier said than done but hopefully creative minds will be able to find a solution.

According to Kumar the way to manage Dragon's footprint as follow "The highest calling of leadership is to challenge the status quo and unlock the potential of others".

He also state that India has three important concerns with regard to the increasing footprints of China in and around the subcontinent. First, is the indirect involvement of China with the northeast insurgent groups, to give impetus to instability. The United National Liberation Front of West Southeast Asia (UNLFW), an alliance of insurgent groups operating in the northeast, has been established to give a fillip to the sagging insurgent movements in Nagaland, southeast Arunachal Pradesh and north Assam.

According to strategic challenges in Human resource management Nafchi and Mohelska stated the following both the scope and structure of employment are currently changing and will also continue to change significantly in the future. This means that new professions are constantly being born, and this will continue happening; some professions will face changes in the requirements in terms of the knowledge and skills necessary for their performance, and other professions will disappear completely.

They also stated that In business, digital transformation is considered an organizational change taking place by the use of digital technologies as well as business models for the purpose of improving economic indicators and to acknowledge and respond to the changing consumer behavior and the competition between different sectors

## 2- Research Objectives:

- a- To state the measurement of transformational leadership in Egyptian organizations
- b- To state the measurement of strategic challenges and focus the light on the strategic challenges in pharmaceutical part of Egyptian economy
- c- To find the relationship between transformational leadership and strategic challenges in Egyptian sector
- d- To know how following transformational leadership aid in overcome the implications of strategic challenges

## 3- Research problem:

According to the pharmaceutical section in Egyptian economy there is a failure in applying leadership styles and especially transformational leadership so the research proble serch for solving the question about how to use transformational leadership with it indicators in achieving overcome to the Egyptian strategic challenges and strategic challenges inside the organizations .

## 4- Research Methodology:

First: Research style:

The research has been used two types of information sources as follow:

- a- Secondary data: the researcher dependends up on the Arabic and English refrences, the scientific journals and specialized scientific researchs that handle the research topic
- b- Primary data: the data has been collected from employess in pharmaceutical sector through questionnaire to get their opinions and attitude and inorder to test the hypotheses as follow:
- The questionnaire: the questionnaire has been designed to konow the directiona and attitudes of employees working in pharmaceutical corporations, the questionnaire prepaired to include the research variables and its classified into two parts as follow:
- 1- The first part consist of 20 statements about transformational leadership indicators
- 2- The second part consist of 20 statements about strategic challenegs indicators .
- Analytical study: the questionnaire has been classified and analyzed to get the results and the data which were obtained have been analyzed by statistical methods to test hypotheses.

# Second: reseach population and sample:

## a- Reseach population:

The reseach population is all employees working in pharmaceutical corporations ( Ibn Sina, Maphis, Cairo, Glasco and Nile ), the population size is 20679 units according to 2021 registered data..

## b- Research sample:

The sample is stratified random sample according to differences in their amount from company to company and the sample size was defined according to equation will be stated at the following, at significant level 95% and error 5%, the equation as following:

$$n = \frac{N \times p(1-p)}{N - 1 \times (d^2 \div z^2) + p(1-p)}$$

N: Population

N:Sample

Z: the standard dgree of 95% which equal to 1.96

D: the error percentage which equal to p.50

By using the preceding information the sample size can be calculated as follow:

$$n = \frac{20679 \times 0.5(1 - 0.5)}{20679 - 1 \times (0.05)^2 \div (1.96)^2 + 0.5(1 - 0.5)}$$

$$n = \frac{20679 \times 0.5(0.5)}{20678 \times (0.0025) \div (3.8416) + 0.5(0.5)}$$

$$n = \frac{20679 \times 0.25}{20678 \times (0.000650771) + 0.25}$$

$$n = \frac{5169.75}{13.70663265}$$
$$n = 377.171$$

(1) Steven K. Thompson, Sampling, Third Edition, John Wiley & Sons, Inc., Hoboken, New Jersey, 2012, p. 59.

The sample can be calculated using the preceding equation which clarified

## Table 1 : validity and relianbility

that sample of the research is 377 units, the researcher got 351 questionnaire items which represent retuniing percentage by 93.1%

# Third: reliability and validity of questionnaire:

Reliability: the research clarify that reliability for every research indicators of the questionnaire is more than 60 % and the reliability for all the questionnaire is 98.1% which stratified questionnaire with high reliability.

## Validity:

The research clarify that the validity forevery research indicato more than 60% and the overall questionnaire validity is 99% which stratify questionnaire with hid validity.

Table 1: the relaiability and validity table

Validity	Reliability	Statements	Dimensions
0.964	0.930	٥	Idealized influence
0.970	0.940	٥	Inspirational motivation
0.964	0.929	٥	Intellectual simulation
0.971	0.942	0	Individualized consideration

Validity	Reliability	Statements	Dimensions
0.990	0.980	۲.	All stat of transformational leadership
0.963	0.927	٥	Competitive challenges
0.965	0.931	٥	Technological challenges
0.950	0.903	٥	Financial challenges
0.968	0.937	٥	Human challenges
0.988	0.976	۲.	All stat of strategic challenges
0.990	0.981	٤.	The questionnaire

# **Forth: the research limitations:**

Human limitations: the research cover only the employees who are working in pharmaceutical companies in Egypt.

Place limitation: the reseach was applied on six pharma companies (Ibn Sina, Elmasria, Mamphis, Cairo company, Glasco and Nile company) in Egypt.

Time limitations: the data has been collected between ---

Fifth: Hypotheses test:

The main hypothsis is as follow:

" there is no significant relation between the transformational leadership on facing strategic challenges"

And this main hyposis is classified into 4 sub – Hypothses as follow:

- 1- There is no significant relation for idealized influence on facing strategic challenges
- 2- There is significant relation for inspirational motivavation on facing strategic challenges
- 3- There is no significant relation for intellectual simulation on strategic challenges

4- There is no significant relation for individualized consideration on facing the strategic challenges .

At the following part is the statistical analysis and those subhypotheses test:

1- There is no significant relation for idealized influence on facing strategic challenges :

To test this hypothsis the research performed number of statistical tests as follow

#### a- Correlation

Table 2: correlation between indepent variable "idealized influence "and dependent variable" strategic challenges "

Facing strategic challenges	الاختبار	Variable
071	Pearson Correlation	Idealized influence
0.000	Sig.	ideanzed influence

From the preceding table its clear that there is a correlation between the two variables at 53.1% at significant level .05.

# b- Model summary:

**Table 3: Model summary** 

Std. Error of the Estimate	Adjusted R Square	R Square	Independent variable
0.821	0.28	0.282	Idealized influence

The preceding table clarify that R= .282 which mean that idealized influence explain the change in strategic challenges by

28.2%, according to remaining percentage explained by other variables not included in the regression relation.

#### **ANOVA test:**

Table 4: ANOVA test

Sig.	F	Mean Square	Df	Sum of Squares	Model
		92.273	1	92.273	Regression
0.000	137.04	0.673	349	234.99	Residual
			350	327.26	Total

the preceding table clarify that there is positive relation between the two variables which represented int the value of "F" which is a statistical function at significant level .05 which represent the healthy and core of relation between the two variables

## c- coefficient:

table 5: coefficient

Sig.	Т	Standardized Coefficients	Unstandardized Coefficients		النموذج	
		Beta	Std. Error	В		
0.000	8.643		0.153	1.325	Constant	
0.000					Idealized	1
0.000	11.707	0.531	0.044	0.513	influence	

the preceding table clarifys that "T" for idealized influence is at significant level .05 and this clarify the strong regression relation between two variables

the researcher can summarize the result of the preceding tables as follow:

- the function level of Person and regression function less than .05 which clarify that there is a relation between the two variables .
- R was positive which clarify positive relation between the two variables.
- at ANOVA test the was at significant levele .05 which mean that the researcher can dependends up on regression model and can generalize the results .
- Beta was indicate the effect of independent variable on dependent at different levels and this is not by chance.
- from the preceding the researcher can accept the alternate hypothesis as follow"
- " there is a significant relation between idealized influence on facing strategic challenges "
- 2- the second sub-hypothesis: "there is no significant relation for inspirational motivation on facing strategic challenges"

## a- correlation:

table5: correlation

Facing strategic challenges	Test	Model	
•.000	Pearson Correlation	Inspirational motivation	
0.000	Sig.	Inspirational motivation	

From the preceding table its clear that there is a correlation between the two variables at 55.5% at significant level .05.

## b- Model Summary:

**Table6: Model summary** 

Std. Error of the Estimate	Adjusted R Square	R Square	Model
0.806	0.306	0.308	Inspirational motivation

The preceding table clarify that R squared = .308 which mean that inspirational motivation explain the change in strategic challenges by 30.8%, according to remaining percentage explained by other variables not included in the regression relation.

#### c- ANOVA test:

Table7: ANOVA test for second sub hypothesis

Sig.	F	Mean Square	Df	Sum of Squares	Model
		100.66	1	100.66	Regression
0.000	155.03	0.649	349	226.6	Residual
			350	327.26	Total

the preceding table clarify that there is positive relation between the two variables which represented int the value of "F" which is a statistical function at significant level .05 which represent the healthy and core of relation between the two variables

#### d- Coefficient

**Table8: coefficient for second sub hypothsis** 

Sig.	Т	Standardized Coefficients	Unstandardized Coefficients				Model	
		Beta	Std. Error	В				
*.***	8.593		0.148	1.275	Constant			
.000					Inspirational	1		
.000	12.451	0.555	0.043	0.54	motivation			

the preceding table clarifys that "T" for idealized influence is at significant level .05 and this clarify the strong regression relation between two variables

the researcher can summarize the result of the preceding tables as follow:

- the function level of Person and regression function less than .05 which clarify that there is a relation between the two variables .
- R was positive which clarify positive relation between the two variables.
- at ANOVA test the was at significant levele .05 which mean that the researcher can dependends up on regression model and can generalize the results .
- Beta was indicate the effect of independent variable on dependent at different levels and this is not by chance.
- from the preceding the researcher can accept the alternate hypothesis as follow"
  - "there is a significant relation between inspirational motivation on facing strategic challenges"
- 3- third sub-hypothesis "there is no significant relation between intellectual simulation and facing strategic challenges "

#### a- correlation

table 9: correlation for third sub-hypothesis:

Facing strategic challenges	Test	Model
•.70	Pearson Correlation	Intellectual simulation
0.000	Sig.	interfectual simulation

From the preceding table its clear that there is a correlation between the two variables at 65.3% at significant level .05.

## b- model summary:

table 10: Model summary for third sub-hypothesis

Std. Estima	Std. Error of the Estimate		Adjusted R Square	R Square	Model
0.733			0.425	0.427	Intellectual simulation

The preceding table clarify that R squared = .427 which mean that individualized consideration explain the change in strategic challenges by 42.7%, according to remaining percentage explained by other variables not included in the regression relation.

#### c- ANOVA TEST:

table11: ANOVA TEST

Sig.	F	Mean Square	Df	Sum of Squares	Model
0.000	259.7	139.62	1	139.62	Regression
		0.538	349	187.64	Residual
			350	327.26	Total

the preceding table clarify that there is positive relation between the two variables which represented int the value of "F" which is a statistical function at significant level .05 which represent the healthy and core of relation between the two variables

## d- coefficient:

table12: coefficient

Sig.	Т	Standardized Coefficients	Unstandardized Coefficients		Model	
		Beta	Std. Error	В		
•.••	6.122		0.141	0.863	Constant	
٠.000					Intellectual	1
.000	16.115	0.653	0.041	0.657	simulation	

the preceding table clarifys that "T" for intellectual simulation is at significant level .05 and this clarify the strong regression relation between two variables

the researcher can summarize the result of the preceding tables as follow:

- the function level of Person and regression function less than .05 which clarify that there is a relation between the two variables .
- R was positive which clarify positive relation between the two variables.
- at ANOVA test the was at significant levele .05 which mean that the researcher can dependends up on regression model and can generalize the results .
- Beta was indicate the effect of independent variable on dependent at different levels and this is not by chance.
- from the preceding the researcher can accept the alternate hypothesis as follow"
  - " there is a significant relation between intellectual simulation on facing strategic challenges"

Forth sub-hypothesis: "there is no significant relation between individualized consideration and facing strategic challenges"

#### a- correlation:

table 13: correlation

Facing strategic challenges	Test	Model
٠.٢١٨	Pearson Correlation	Individualized
0.000	Sig.	consideration

From the preceding table its clear that there is a correlation between the two variables at 61.8% at significant level .05.

# b- Model Summary:

table 14: model summary

Std. Error of the Estimate	Adjusted R Square	R Square	Model
0.761	0.381	0.382	Individualized consideration

The preceding table clarify that R squared = .382 which mean that individualized consideration explain the change in strategic challenges by 38.2%, according to remaining percentage explained by other variables not included in the regression relation.

## c- ANOVA TEST:

table 15: ANOVA

Sig.	F	Mean Square	Df	Sum of Squares	Model
0.000	216.06	125.13	1	125.13	Regression
		0.579	349	202.13	Residual
			350	327.26	Total

the preceding table clarify that there is positive relation between the two variables which represented int the value of "F" which is a statistical function at significant level .05 which represent the healthy and core of relation between the two variables

#### d- coefficient:

table 16: coefficient

Sig. T		Standardized	Unstandar	dized		
		Coefficients	Coefficients		Model	
Sig. T	Beta	Std.		Model		
		Deta		В		
•.••	7.303		0.142	1.039	Constant	
٠.000					Individualized	1
1.000	14.699	0.618	0.04	0.595	consideration	

the preceding table clarifys that "T" individualized consideration is at significant level .05 and this clarify the strong regression relation between two variables

the researcher can summarize the result of the preceding tables as follow:

- the function level of Person and regression function less than .05 which clarify that there is a relation between the two variables .
- R was positive which clarify positive relation between the two variables.
- at ANOVA test the was at significant levele .05 which mean that the researcher can dependends up on regression model and can generalize the results .

- Beta was indicate the effect of independent variable on dependent at different levels and this is not by chance.
- from the preceding the researcher can accept the alternate hypothesis as follow"
  - "there is a significant relation between individualized consideration on facing strategic challenges"

from preceding we rejected the four sub hypotheses and accepted the alternate hypotheses and so researcher can reject the main hypothesis and accept the alternate one as follow:

"there is significant relation between transformational leadership and strategic challenges"

# Findings and discussion:

Idealized Influence: Avolio, Bass & Jung (1999) defines the Idealized Influence property as the way the leader behaves and leads to the admiration of his subordinates, which helps him to spread the organizational vision and inspire motivation in subordinates. Since the ideal influence represents one of the characteristics of the transformational leader, it entails certain leadership behaviors such as sacrificing personal interests for the benefit of the group, high moral conduct, and subordinates see the leader as role models and reference (Sušanj and Jakopec, 2012). One of the most important leadership behaviors associated with ideal influence is the ability to gain trust and respect for

employees, to follow ethical standards and higher values, to avoid taking power to achieve personal gain or to force others to play organizational roles (AL-Shanti, 2016).

Inspirational Motivation: Inspirational Motivation sets and presents the future vision, the use of emotional influences, and show optimism and enthusiasm for action (Sušanj and Jakopec, 2012). The inspiring motivation of the leader inspires the organization by setting the vision of the organization and encouraging employees to adopt and pursue it by motivating employees through enthusiasm towards goals, optimism, and trust (AL-Shanti, 2016).

Intellectual Stimulation: Bass and Avolio (1994) stated that intellectual stimulation refers to improving an employee's ability to think in his own way about how to carry out his work assignments. Hence, intellectual stimulation is described as the ability of the individual to be rational, and his ability to think intelligently when assessing the environment, which makes him able to generate new ideas.

Individualized Consideration: Individualized consideration is one of the characteristics of the transformational leader, linking staff priorities to the development of the organization, directing them toward organizational goals and providing opportunities for training and career development (Bass and Avolio, 1994). In other words, Individualized consideration refers to the leader's appreciation of the employee and interest in his interests,

interests and career needs, including training, development and promotion.

According to the study the strategic challenges facing has been affected by the four components in the field study

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