Chapter 3
Confucianism Values for Transformational Leadership Development in the Chinese Context

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ABSTRACT
Transformational leadership has received a great significance in the leadership literature during the past two decades. However, this research is dominated by Western traditions and scant attention is paid to Asian traditions. Therefore, in this paper, the authors explore the relevance of Confucianism, an Asian tradition, and its significance in transformational leadership development. For this purpose, the authors have selected the Analects, which provide the essence of Confucianism to explore the relevant transformational leadership concepts. This paper is based on hermeneutics, a qualitative research methodology that involves study, understanding and interpretation of ancient text. Confucianism provides an inside-out approach to transformational leadership development, which is self leadership first, before leadership of others. This inside-out perspective is also similar to other Asian traditions, such as ancient Indian wisdom. The prospects of analysis of Confucianism in other areas of leadership and management can be considered for future research.

1. INTRODUCTION
Leadership has a long history and has been the focus of research in numerous fields, from psychology, sociology, organizational theory, politics and management. Leadership is also one of the most relevant and an important aspect of management whether in work organizations, political parties, societies and countries. It is also one of the most researched management subjects and an interesting topic of discussions around the world. Ancient civilizations throughout the history had methods by which they were led and managed. Every king
or queen who ruled ancient kingdoms had his or her own leadership values to transform their people.

The western tradition and influence on leadership theories and concepts have dominated the world for over two centuries due to colonization and the widespread use of English in many countries and the readily available of leadership literatures in English language. However the studies on Asian tradition on leadership especially the application of leadership ancient wisdoms from China and India are beginning to grow due to the economic growth of both nations (Muniapan & Dass, 2008; Muniapan & Dass, 2009; Muniapan & Satpathy, 2010).

A careful analysis reveals that many of the recently popularized western leadership theories and concepts have been in practice in Asia for centuries. These practices however were not in the context business organization but in the state or political governance in those days (Muniapan, 2010). Governance in the contemporary context has both state and on-state sponsored dimensions. Sharma (2001) argues that for a leadership system, to be effective, it has to be rooted in the cultural soil of the country, where it is practiced. Many communities and countries in the world are now trying to discover and explore their own system of leadership and management, which includes financial management, human resource management, customer relationship management, corporate social responsibility and also corporate governance.

Maruyama (1994) was one of the authors who explored the Asian tradition of leadership beginning with wide understanding of Japanese leadership. Besides Japanese, the interest in exploring other Asian tradition especially from the Indian context of leadership has seen a tremendous growth over the past two decades. In the Indian context, the studies to explore ancient Indian wisdoms in leadership were made by scholars such as Chakraborty (1993, 1995, 1999), Chakraborty and Chakraborty (2008), Sharma (1996, 1998, 1999, 2002, 2003), Krishnan (2001, 2003), Ke- 

2. THE BROAD PURPOSE OF THIS PAPER

From the perspective of the authors, there is a lack of studies on transformational leadership values from the Chinese wisdom. Most of the researches are in general leadership and not in-depth studies. Even this paper is also not an in-depth analysis of the Confucianism and transformational leadership as it only attempts to explore the relevance of Confucianism in transformational leadership. With growth of the Chinese economy, studies in Chinese leadership need to grow based on the Chinese cultural roots and upbringing. A Chinese grows up in a system, where family ties and sense of belongingness gets top priority and with this type of background, he or she may not be able to adjust or fit into the job environment practicing Western leadership based on individualistic, direct, low power distance and contractual. China is high in power distance as employees acknowledge and respect the authority of the leader based on his legitimate power and they seldom bypass the chain of command. Besides high power distance, China has a low uncertainty avoidance, which means leaders have a propensity for low risk aversions and employees exhibit little aggressiveness in