

**Case
Study**



Received 25 March '08/
Accepted 07 May '08
SAFA = 0.49

Relationship between Learning Organization and Transformational Leadership: Banking Organizations in India

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Abstract: The study identifies the relationship between transformational leadership and learning organization in the banking sector in India and concludes that transformational leadership plays a vital role in the development of learning organization. It further contends that two major characteristics of the transformational leader, i.e., articulate vision and intellectual stimulation tend to provide the members of an organization with a sense of direction and creative thinking which in turn enhance organizational learning in turbulent environment.

Keywords: Learning Organization, transformational leadership, intellectual stimulation

INTRODUCTION

The 21st century is characterized by significant changes in the business environment. Organizations are faced with a turbulent environment and they need to transform themselves so as to be able to confront the shifting needs of the new environment, more demanding customers, and smarter workers, anticipating ability to changes, accelerating the development of new products, processes and services. Competitiveness, thus, can no longer continue with traditional management approaches which lead to change in organizational setting and leadership as well. Several changes in the external and internal environment of the organizations act as a driver for their transformation (Singh, 2005). Furthermore, global competitiveness has created tremendous opportunities for organizations as the markets have expanded across the national boundaries. This global competition is forcing organizations to adopt new standards and practices. Due to globalization and advances in information technology, people all over the world

