**Elon Must Leadership Style**

Usually, the corporate governance in an organisation is focussed on minimising risks, however, Elon Musk as a leader believes that a lack of failure is an indication of lack of innovation. The above belief shows that Elon Musk is a visionary leader who wants innovation to change the world, for which he uses a transformative style of leadership (Padgett, 2015).

Ghasabeh and Provitera (2017) argued that transformation leadership not only focusses on satisfying the basic needs of the followers but also on fulfilling the higher desires of followers by inspiring them to create innovative solutions. Two important aspects of transformation leadership are creativity and innovativeness. These two aspects make the leader a charismatic personality that can motivative employees to achieve better outcomes. Instead of focusing on the task, a transformational leader is focussed on strengthening individuals so they are committed to contributing to organisational changes. A transformative leader focuses on shaping the attitudes and values of the followers so that any initiative by the leader can be easily implemented and is also effective.

However, Ghasabeh and Provitera (2017) identified a drawback with transformational leadership; it may drive an organisation towards rapid changes that may become an issue in corporate governance.

Elon Musk’s transformative style is evident from two instances as discussed below.

Clifford (2019) mentioned that despite being a multi-billionaire, Elon Musk is known for working a lot. As per various reports, Musk works for 120 hours in a week. When a leader is so hardworking, it is natural that the followers will also put in efforts in the work. Elon Musk has established various companies, one of which is Tesla that builds electric vehicles. There are two reasons why Musk established Tesla: First, according to him, there is a need to accelerate the use of sustainable energy, as environmental damage can become a risk for humanity. Second, self-driving cars will allow people to do something productive instead of being in the driver seat and stuck in traffic. The above statements show that Elon Musk wants to change the energy consumption pattern that can improve environmental protection, and humans can focus on more important things than driving.

However, being a transformative leader has drawbacks as argued by Ghasabeh and Provitera (2017). Elon Musk is a transformation leader who is not open to criticism by people who do not share his vision. Tesla being a public company is open to criticism by media and several public investors. In August 2018, he posted on Twitter that he is planning to take the company private. Due to this tweet, the share prices went up drastically and the trading had to be halted temporarily (Stewart, 2018).

The problem with the tweet is the corporate announcements are not made on twitter. There is a well-defined process that involves boarding meetings, and the regulators are informed before making such an announcement. The leadership style of Elon Musk created a corporate governance issue that resulted in the US SEC (Securities and Exchange Commission) to investigate if there was a violation of any law (Stewart, 2018).

Thus, it can be inferred that while transformation leadership style is inspiring, it can create issues as well.

**References**

Clifford, C. (2015). Elon Musk: This is the ‘Why’ of Tesla. *CNBC*. [Online]. Available at: https://www.cnbc.com/2019/02/04/elon-musk-on-the-why-and-purpose-behind-tesla.html. [24th April 2020].

Ghasabeh, M.S. & Provitera, M.J. (2017). Transformational Leadership: Building an Effective Culture to Manage Organisational Knowledge. *The Journal of Value-Based Leadership*. 10(2): Article 7.

Padgett, L.N. (2015). Elon Musk: Transformational Leadership in Action. *Mafiadoc.com*. [Online]. Available at: https:/mafiadoc.com\_elon-musk-transformational-leadership-in-action\_5c9390f0097c471f4c8b45a1.pdf. [24th April 2020].

Stewart, E. (2018). Elon Musk’s (probably serious) Proposal to take Tesla Private and the Fallout, explained. *VOX*. [Online]. Available at: https://www.vox.com/2018/8/15/17692582/elon-musk-tesla-stock-sec-investigation-nasdaql. [24th April 2020].