### 8. Transformational Leadership

Transformational leadership enhances the motivation, morale, and performance of followers through a variety of mechanisms. These include connecting the follower's sense of identity and self to the project and the collective identity of the organization; being a role model for followers that inspires them and makes them interested; challenging followers to take greater ownership for their work, and understanding the strengths and weaknesses of followers, so the leader can align followers with tasks that enhance their performance.

### **Development of concept**

James MacGregor Burns (1978) first introduced the concept of transforming leadership in his descriptive research on political leaders, but this term is now used in organizational psychology as well (Bass & Riggio, 2006). According to Burns, transforming leadership is a process in which "leaders and followers help each other to advance to a higher level of morale and motivation". Burns related to the difficulty in differentiation between management and leadership and claimed that the differences are in characteristics and behaviors. He established two concepts: "transforming leadership" and "transactional leadership". According to Burns, the transforming approach creates significant change in the life of people and organizations. It redesigns perceptions and values, and changes expectations and aspirations of employees. Unlike in the transactional approach, it is not based on a "give and take" relationship, but on the leader's personality, traits and ability to make a change through example, articulation of an energizing vision and challenging goals. Transforming leaders are idealized in the sense that they are a moral exemplar of working towards the benefit of the team, organization and/or community. Burns theorized that transforming and transactional leadership were mutually exclusive styles.

Bernard M. Bass (1985), extended the work of Burns (1978) by explaining the psychological mechanisms that underlie transforming and transactional leadership. Bass introduced the term "transformational" in place of "transforming." Bass added to the initial concepts of Burns (1978) to help explain how transformational leadership could be measured, as well as how it impacts follower motivation and performance. The extent to which a leader is transformational, is measured first, in

terms of his influence on the followers. The followers of such a leader feel trust, admiration, loyalty and respect for the leader and because of the qualities of the transformational leader are willing to work harder than originally expected. These outcomes occur because the transformational leader offers followers something more than just working for self gain; they provide followers with an inspiring mission and vision and give them an identity. The leader transforms and motivates followers through his or her idealized influence (earlier referred to as charisma), intellectual stimulation and individual consideration. In addition, this leader encourages followers to come up with new and unique ways to challenge the status quo and to alter the environment to support being successful. Finally, in contrast to Burns, Bass suggested that leadership can simultaneously display both transformational and transactional leadership.

Now 30 years of research and a number of meta-analyses have shown that transformational and transactional leadership positively predicts a wide variety of performance outcomes including individual, group and organizational level variables.

The full range of leadership introduces four elements of transformational leadership:

**1.Individualized Consideration** – the degree to which the leader attends to each follower's needs, acts as a mentor or coach to the follower and listens to the follower's concerns and needs. The leader gives empathy and support, keeps communication open and places challenges before the followers. This also encompasses the need for respect and celebrates the individual contribution that each follower can make to the team. The followers have a will and aspirations for self development and have intrinsic motivation for their tasks.

**2.Intellectual Stimulation** – the degree to which the leader challenges assumptions, takes risks and solicits followers' ideas. Leaders with this style stimulate and encourage creativity in their followers. They nurture and develop people who think independently. For such a leader, learning is a value and unexpected situations are seen as opportunities to learn. The followers ask questions, think deeply about things and figure out better ways to execute their tasks. This type of challenge is not made to hurt or limit the follower, but intended

to encourage change and maturity of their skills. As long as progress is being made, the leader's want for improvement and change will enhance the experiences of the followers and their quality of work will improve immensely.

**3.Inspirational Motivation** – the degree to which the leader articulates a vision that is appealing and inspiring to followers. Leaders with inspirational motivation challenge followers to leave their comfort zones, communicate optimism about future goals, and provide meaning for the task at hand. Followers need to have a strong sense of purpose if they are to be motivated to act. Purpose and meaning provide the energy that drives a group forward. The visionary aspects of leadership are supported by communication skills that make the vision understandable, precise, powerful and engaging. The followers are willing to invest more effort in their tasks, they are encouraged and optimistic about the future and believe in their abilities.

**4.Idealized Influence** – the degree to which the leader acts as a role model for their followers. Transformational leaders must embody the values that the followers should be learning and mimicking back to others. If the leader gives respect and encourages others to be better, those influenced will then go to others and repeat the positive behavior, passing on the leadership qualities for other followers to learn. This will earn the leader more respect and admiration from the followers, putting them at a higher level of influence and importance.

Each element is connected because there is a basis of respect, encouragement, and influence that is involved in transformational leadership. The personality of the leader has to be genuine because any chance of inconsistency for the followers and all trust is gone, and the leader has failed.

As a development tool, transformational leadership has spread already in all sectors of western societies, including governmental organizations. As an example, the Finnish Defense Forces is widely using Deep Lead© Model as basic solution of its leadership training and development. The Deep Lead© Model is based on the theory of transformational leadership.

#### Research in the area

Earlier research on transformational leadership was limited, because the knowledge in this area was too primitive for finding good examples for the items in the questionnaire. Another weakness in the first version of the MLQ related to the wording of items. Most items in the scale of charismatic leadership described the result of leadership, instead of specific actions of the leader that can be observed and that, in turn, lead to the results. In response to the critics, Bass and Avolio (1990) included in the revised and now subsequent versions many more items that describe leadership actions that are observed directly. They also split out attributions of leadership associated with Idealized Influence and behaviors and actions into two separate scales.

The current version of the MLQ Form 5X includes 36 items that are broken down into 9 scales with 4 items measuring each scale. Subsequent validation work by John Antonakis and his colleagues provided strong evidence supporting the validity and reliability of the MLQ5X. Indeed, Antonakis et al. (2003) confirmed the viability of the proposed nine-factor model MLQ model, using two very large samples (Study 1: N=3368; Study 2: N=6525). Although other researchers have still been critical of the MLQ model, since 2003 none has been able to provide disconfirming evidence of the theorized nine-factor model with such large sample sizes at those published by Antonakis et al. (2003).

## 8.1 People Oriented

Task-oriented (or task-focused) leadership is a behavioral approach in which the leader focuses on the tasks that need to be performed in order to meet certain goals, or to achieve a certain performance standard. Relationship-oriented (or relationship-focused) leadership is a behavioral approach in which the leader focuses on the satisfaction, motivation and the general well-being of the team members.

Task-oriented and relationship-oriented leadership are two models that are often compared, as they are known to produce varying outcomes under different circumstances.

### Qualities of task-oriented leadership

Task-oriented leaders focus on getting the necessary task, or series of tasks, at hand in order to achieve a goal. These leaders are typically less concerned with the idea of catering to employees, and more concerned with finding the step-by-step solution required to meet specific goals. They will often actively define the work and the roles required, put structures in place, and plan, organize, and monitor progress within the team.

The advantages of task-oriented leadership is that it ensures that deadlines are met and jobs are completed, and it's especially useful for team members who don't manage their time well. Additionally, these types of leaders will tend to exemplify strong understanding of how to get the job done by focusing on the necessary workplace procedures, thus can delegate work accordingly in order to ensure that everything gets done in a timely and productive manner.

However, because task-oriented leaders don't tend to think much about their team's well-being, this approach can suffer many of the flaws of autocratic leadership, including causing motivation and retention problems.

## Qualities of relationship-oriented leadership

Relationship-oriented leaders are focused on supporting, motivating and developing the people on their teams and the relationships within. This style of leadership encourages good teamwork and collaboration, through fostering positive relationships and good communication. Relationship-oriented leaders prioritize the welfare of everyone in the group, and will place time and effort in meeting the individual needs of everyone involved. This may involve offering incentives like bonuses, providing mediation to deal with workplace or classroom conflicts, having more casual interactions with team members to learn about their strengths and weaknesses, creating a non-competitive and transparent work environment, or just leading in a personable or encouraging manner.

The benefits of relationship-oriented leadership is that team members are in a setting where the leader cares about their well-being. Relationship-oriented leaders understand that building positive productivity requires a positive environment

where individuals feel driven. Personal conflicts, dissatisfaction with a job, resentment and even boredom can severely drive down productivity, so the these types of leaders put people first to ensure that such problems stay at a minimum. Additionally, team members may be more willing to take risks, because they know that the leader will provide the support if needed.

The downside of relationship-oriented leadership is that, if taken too far, the development of team chemistry may detract from the actual tasks and goals at hand.

The term "people-oriented" is used synonymously, whilst in a business setting, this approach may also be referred to as "employee-oriented".

### 8.2 Bureaucratic leadership

The bureaucratic style of leadership is a style of leadership that focuses on rules and procedures to manage teams and projects. It is a style that is diffused among a number of departments or people and there is a strictest of rules. This is a classic style of leadership and is used quite a lot in organizations that don't encourage innovation and change and by leaders who may be insecure and uncertain in what their role may be. People that want to use this style of leadership are often familiar with the many policies and guidelines. Some people may feel out of their depth and will have a little hesitation in referring difficulties to a leader higher in demand.

This approach to leadership is commonly used in uniformed and non-uniformed public services. Sometimes the public services are very large and bureaucratic themselves and although it may seem unlikely, there are several situations where the bureaucratic leadership style may be useful for example a job is routine and doesn't change over a long period of time or either that a job requires a definite set of safety rules or working guidelines in order to comply with the law.

However if this style of leadership is used inappropriately then it can cause negative consequences, causing a lack of flexibility and work throughout the team.

#### **Features**

You can break bureaucratic leadership down into the following components:

**Fixed official duties:** All administrative and management tasks are broken down into permanent offices that permit clear lines of authority, responsibility and accountability. Let's use a software company as an example. The company may be broken down into divisions such as research and development, production, marketing, distribution and administration.

**Hierarchy of authority:** Positions in the organization are arranged in a hierarchy where lower positions are answerable to and under the supervision of the level above it. In our software company example, employees in the research and development division are supervised by their team supervisors, who are under the control of their department heads. The department heads are answerable to the vice president of the research and development division. The vice president takes his orders from the CEO, who takes her orders from the board of directors.

**Technical expertise:** Qualification for bureaucratic leadership is usually based upon the technical expertise required to efficiently and effectively manage the management tasks. In our software company example, the vice president of the research and development division may have a background not only in management but also software engineering.

**System of rules:** A bureaucratic leader is subject to a system of behavioral rules and technical rules. Behavioral rules define the scope of a manager's behavior and constrain his conduct, while technical rules control how work is to be performed and how decisions are to be made.

For example, the vice president of research and development of our software company is subject to behavioral rules that only permit him to manage his division. He may not direct the activities of any employee of another division such as the production division. Moreover, he is subject to technical rules that require him to go through a very formalized process when requesting funds for a new project. He is also subject to the company's employment policies relating to personal conduct.

Written documentation: The organization maintains written records of all rules, decisions and administrative actions. These records will help leaders by taking guidance from the past. Written records also help with accountability.

In our example, the vice president decides that he must let an employee go. He utilizes a document provided by the HR department, records the reasons for the discharge and certifies that he followed all company procedures in discharging the employee. The document is signed by the vice president, the employee is asked to sign it and the document is then stored in the HR filing system.

#### **Disadvantages**

Bureaucratic leadership can be an efficient management style, but it's not without disadvantages. It is a rigid structure that is not well suited for quick adaption and organizational transformation. This is particularly problematic in our dynamic and complex world. Bureaucratic leadership also fails to fully utilize all employees because of its top-down nature, which doesn't usually permit employee participation in decision-making. Thus, innovation and creative decision-making can be severely hindered. Another problem with bureaucratic leadership is that it can be dehumanizing to employees, which may hurt motivation and morale.

# **Summary**

Bureaucratic leadership is a common form of management. Leadership is based upon fixed official duties and adherence to a system of rules. Bureaucratic leadership is fairly well-structured and consists of several components, including leadership defined by fixed official duties under a strict hierarchy of authority, where leaders are selected based on their relevant technical expertise.

Leaders are subject to a system of behavioral and technical rules that define the scope of their authority, dictate certain actions and constrain certain actions. Written documentation of leadership actions are often created for a guide to future actions and as a means of maintaining accountability.

## 8.3 Democratic/Participative leadership

Democratic leadership, also known as participative leadership, is a type of leadership style in which members of the group take a more participative role in

the decision-making process. Researchers have found that this learning style is usually one of the most effective and lead to higher productivity, better contributions from group members, and increased group morale.

### **Characteristics of Democratic Leadership**

Some of the primary characteristics of democratic leadership include:

- •Group members are encouraged to share ideas and opinions, even though the leader retains the final say over decisions.
- •Members of the group feel more engaged in the process.
- •Creativity is encouraged and rewarded.

### Benefits of Democratic Leadership

Because group members are encouraged to share their thoughts, democratic leadership can leader to better ideas and more creative solutions to problems. Group members also feel more involved and committed to projects, making them more likely to care about the end results. Research on leadership styles has also shown that democratic leadership leads to higher productivity among group members.

# **Downsides of Democratic Leadership**

While democratic leadership has been described as the most effective leadership style, it does have some potential downsides. In situations where roles are unclear or time is of the essence, democratic leadership can lead to communication failures and uncompleted projects. In some cases, group members may not have the necessary knowledge or expertise to make quality contributions to the decision-making process.

Democratic leadership works best in situations where group members are skilled and eager to share their knowledge. It is also important to have plenty of time to allow people to contribute, develop a plan and then vote on the best course of action.

# 8.4 Creative tools for leadership

Democratic leadership, also known as participative leadership, is a type of leadership style in which members of the group take a more participative role in the decision-making process. Researchers have found that this learning style is usually one of the most effective and lead to higher productivity, better contributions from group members, and increased group morale.