

## TRANSFORMATIONAL LEADERSHIP

### A simple explanation of Transformational Leadership

By Madireddy Venkat

Transformational Leadership is the most popular of all leadership styles since the 1990s. Transformational Leaders are necessary in today's economy where organizations have to change rapidly due to changing business scenarios driven by information technology. In the digital economy it is the transformational leaders who can drive change in organizations and ensure that the organization is achieving its objectives.

Transformational Leadership was first studied by James V. Downton in the year 1973 and he coined the word during his study. Later James MacGregor Burns expanded on Downton's work and published *Leadership* in 1978.

Burns differentiated between Transformational Leadership and Transactional Leadership. He said that Transactional Leadership is the day to day exchange of information and interaction between leaders and their followers. Managers who promise to give a hike to subordinates for completing tasks on time are demonstrating transactional leadership. This type of exchange between leaders and followers can be observed in organizations at all levels, very routinely.

Transactional leadership is a style where the leader pays attention to the motives of the followers and then help them achieve their potential. Transformational leaders are those who are capable of changing the organizational culture and values and in turn able to change the organization's image in the industry.

#### **Transformational Leadership and Charisma:**

Robert J. House first published a theory on Charismatic Leadership in 1976. The book attracted a lot of attention. Charisma is defined by Cambridge dictionary as "special power that some people have naturally that makes them able to influence other people and attract their attention and admiration".

House, in his book described that charismatic leaders have a set of unique characteristics like having a desire to influence others and self-confidence. Charismatic leaders are also good role models for the values they want others to adopt.

Charismatic leaders have confidence in their followers' abilities to meet expectations which they set. House, explained in his book that followers trust these charismatic leaders, have an unquestioning acceptance of their leader, and get emotionally involved in leaders' goals.

Another revision to this theory was made by Boas Shamir, Robert J. House and Michael B. Arthur in 1993, which suggested that charismatic leaders will transform their followers' self-concepts and link their identity to the organizational identity. These leaders also highlight the intrinsic rewards of work to their followers rather than extrinsic rewards.

Example: Prime Minister of India Shri. Narendra Modi is a transformational leader as he was dominant and had a desire to influence his people and self-confident. He was able to communicate his expectations for his people and showed confidence in the people of India that they can meet his expectations. This was demonstrated in the Swachh Bharat program that he initiated and executed from the years 2014 to 2019 with moderate success. In this example he was a strong role model and was able to make the people of India adopt his belief.

### Transformational Leadership factors

Avolio 1999, Bass & Avolio 1990a postulated that transformation leadership is about enhancing the performance of subordinates to their maximum potential. Transformational leaders they said, are those who are very good at motivating people to achieve the larger goal than the individuals self-interest.

The leadership factors from Transformational and Transaction Leadership model by Bernard Bass (1985) is given below:

**Table: Leadership Factors**

Transformational Leadership	Transactional Leadership	Laissez-Faire Leadership
<b>Factor 1</b> Idealized Influence Charisma  <b>Factor 2</b> Inspirational motivation  <b>Factor 3</b> Intellectual stimulation  <b>Factor 4</b> Individualized consideration	<b>Factor 5</b> Contingent reward Constructive transactions  <b>Factor 6</b> Management by exception Active and passive Corrective transactions	<b>Factor 7</b> Laissez-faire Nontransactional

**Idealized influence:** Leaders of this type attract followers, followers want to emulate their leaders. These leaders are the ones who are have high ethical and moral values and their followers always believe that they do the right things. The followers have deep respect for these leaders. This is the emotional component of the leadership factor.

Charisma factor is the one that makes leaders special. Shri.Narendra Modi has a charisma factor which made millions of people in India follow him and his vision.

**Inspirational Motivation:** This factor is about a leader who communicates his vision to his followers and inspires them. The use a variety of communication methods to communicate their vision and inspire people by touching peoples emotions.

Example: Shri. Narendra Modi was an inspiration, he was able to communicate his vision to his people by making emotional speeches to audience at public meetings.

**Intellectual Simulation:** These leaders give freedom to their followers to experiment with innovative solutions. They encourage followers to solve problems on their own and also foster innovation in the organization.

Example: One IT Service manager in a large IT services organization encouraged his team to come up with creative solution to improve service performance. This motivated the employees to work towards a solution that solved some problems related to process design.

**Individualized consideration:** The leaders with this factor are those who give support to followers in terms of listening to problems and challenges and then carefully guiding the followers to overcome those problems and challenges. Leaders here, act as coaches and mentors.

Example: I know a Senior Manager in a Software development company who encourages his followers to express their challenges in work and ensures that he gives time with to listen and helps them solve their problems.

### **Transformational Leaders:**

Generally, Transformational Leadership is about how leaders communicate vision, initiate change, communicate the change, and execute change in an organization.

Transformational Leaders empower people, motivate people to transcend their intertests for the sake of others. Transformational leaders are strong role models, confident and very articulate. They are very cooperative with their followers and always tolerant of opposing viewpoints. They develop strong bond with their followers and followers develop a strong sense of belonging and want to emulate their leaders.

One of the most important characteristics of transformational leaders is their ability to make people feel good about themselves and their contribution is always for the organizational goal.

### References:

Leadership by Peter Northouse, 6th Edition, Pearson, 2007