



Executive Summary

Transformational leadership is a new paradigm that transforms our very notion of leadership. First conceptualized by James McGregor Burns (1978), it has yet to be fully realized except in the rarest of organizations with the most visionary of leaders. Transformational leadership, in contrast to Transactional Leadership, emphasizes intrinsic motivation and the development of its followers. In so doing, it offers a whole new world of possibilities to elevate performance and fulfill individual, organizational, and community potential.

Bass and Riggio distinguish transformational leadership from transactional leadership by adding four components:

- **Idealized Influence:** role modeling that is admired, trusted, respected, and emulated
- **Inspirational Motivation:** providing meaning, challenge, team spirit, and enthusiasm
- **Intellectual Stimulation:** questioning assumptions and soliciting solutions
- **Individualized Consideration:** creating learning opportunities and coaching to highest potential
- **Some add yet another qualification distinguishing factor:** the individual is committed to his/her personal transformation as well as the transformation of the organization

Transformational leaders align the objectives and goals of the individual followers, the leader, the group, and the larger organization. They stimulate their followers' efforts toward innovation and creativity, and they inspire others to commit to a shared vision and shared goals for an organization.

This new model of leadership stimulates and inspires followers to both achieve extraordinary outcomes and, in the process, develop their own leadership capacity. Transformational leaders set challenging expectations and motivate others not only to do more than they originally intended, but to do even more than they thought possible. Not inconsequentially, transformational leaders typically inspire higher performance and have more committed and satisfied followers, who often develop into leaders themselves.

The roles of leaders and followers—and the expectations of both—have changed dramatically. Autocratic and authoritarian leaders, although they still exist, are no longer the norm. Today's followers, besides representing an increasingly diverse group, are informed and enlightened, and often know more than the leader about how to get the task done. Transformational leadership offers the means to meet both performance challenges and the expectations of followers. The hallmarks of transformational leadership—mentoring, coaching, empowering, developing, supporting, and caring—inspire and drive people toward the achievement of both personal and organizational goals while ensuring the development of future transformational leaders.



Excerpts from *Transformational Leadership*, by Bernard M. Bass and Ronald E. Riggio

Note: Page numbers are in parentheses after the quotation.

Components of Transformational Leadership

“Transformational leaders do more with colleagues and followers than set up simple exchanges or agreements. They behave in ways to achieve superior results by employing one or more of the four core components of transformational leadership described later.... Conceptually, leadership is charismatic, and followers seek to identify with the leader and emulate him or her. The leadership inspires followers with challenge and persuasion, providing both meaning and understanding. The leadership is intellectually stimulating, expanding the followers’ use of their abilities. Finally, the leadership is individually considerate, providing the follower with support, mentoring, and coaching” (5).

“Descriptions of the components of transformational leadership are presented in the following sections.

Idealized Influence (II). Transformational leaders behave in ways that allow them to serve as role models for their followers. The leaders are admired, respected, and trusted. Followers identify with the leaders and want to emulate them; leaders are endowed by their followers as having extraordinary capabilities, persistence, and determination. ... In addition, leaders who have a great deal of idealized influence are willing to take risks and are consistent rather than arbitrary” (6).

“Inspirational Motivation (IM). Transformational leaders behave in ways that motivate and inspire those around them by providing meaning and the challenge to their followers’ work. Team spirit is aroused. Enthusiasm and optimism are displayed. Leaders get followers involved in envisioning attractive future states; they create clearly communicated expectations that followers want to meet and also demonstrate commitment to goals and the shared vision” (6).

“Intellectual Stimulation (IS). Transformational leaders stimulate their followers’ efforts to be innovative and creative by questioning assumptions, reframing problems, and approaching old situations in new ways. Creativity is encouraged. There is no public criticism of individual members’ mistakes. New ideas and creative problem solutions are solicited from followers, who are included in the process of addressing problems and finding solutions” (7).

“Individualized Consideration (IC). Transformational leaders pay special attention to each individual follower’s needs for achievement and growth by acting as a coach or mentor. Followers and colleagues are developed to successively higher levels of potential. Individualized consideration is practiced when new learning opportunities are created along with a supportive climate. Individual differences in terms of needs and desires are recognized. The leader’s behavior demonstrates acceptance of individual difference ... A two-way exchange in communication is encouraged, and ‘management by walking around’ workspaces is practiced” (7).

The Effectiveness of Transformational Leadership

“There is a large and growing body of evidence that supports the effectiveness of transformational leadership over transactional leadership and the other components in the Full Range of Leadership model” (9).

Authentic Versus Inauthentic (Pseudotransformational) Transformational Leadership

“A crucial element for James MacGregor Burns’s conception of transformational leadership was his firm belief that to be transforming leaders had to be morally uplifting” (12).

“The element of transformational leadership that usually best distinguishes authentic from inauthentic leaders is individualized consideration. The authentic transformational leader is truly concerned with the desires and needs of followers and cares about their individual development. Followers are treated as ends not just means (Bass & Steidlmeier, 1999)” (14).

Impact of Transformational Leadership on Commitment

“Each of the components of transformational leadership can help build follower commitment in different ways. Idealized influence—wanting to emulate the leader or identify with the leader emotionally—leads to identification with the goals, interests, and values of the leader” (36).

“Leaders use inspirational motivation to build emotional commitment to a mission or goal. Physical and emotional excitement is aroused in the process. Values, beliefs, and responsibilities are all encouraged by the transformational leader. The inspirational leader works to move followers to consider the moral values involved in their duties as members of their unit, organization, and profession” (36-37).

The transformational leader, whether a manager supervising a sales team or a commanding general leading an army, further increases commitment by employing intellectual stimulation. The education, concerns, and experiences of the follower are enlisted in a joint effort to deal with problems in a creative way” (37).

“Individualized consideration at all levels also enhances commitment. Followers feel their personal career needs are being met” (37).

A Charismatic-Inspirational Approach

“Charismatic and inspirational leaders instill faith in a better future for the followers in terms of their self-expression, self-evaluation, and self-consistency. Followers attribute their own extra effort to internal self-related causes rather than to extrinsic rewards, further adding to the follower’s commitment to the cause, and to vague and distant goals. Faith in a better future is an intrinsically satisfying condition in itself” (39-40).

The Role of Trust

“Transformational leaders gain follower trust by maintaining their integrity and dedication, by being fair in their treatment of followers, and by demonstrating their faith in followers by empowering them” (43).

The Role of Empowerment and Efficacy

“It can be argued that transformational leaders empower followers to perform their jobs autonomously and creatively and that this empowerment leads followers to feel more efficacious” (44-45).

The Role of Emotions

“...leadership is intrinsically an emotional process, in which leaders display emotions to evoke emotional reactions in followers” (45).



The Effectiveness of Transformational Leaders

“In summary, it appears that transformational leadership positively affects performance, regardless of whether performance is conceptualized as what others in the unit or organization (i.e., subordinates, superiors) perceive as performance or whether performance relates to more objective, bottom-line sorts of variables” (50).

The Dynamics of Performance Beyond Expectations

“...transformational leaders enhance the self-concepts of followers and encourage followers’ personal and collective identification with both the leader’s and the organization’s goals and objectives” (50).

Identification With the Leader

“Leaders who are, or who appear to be, competent engender follower identification with the leader” (52).

Transformational Leadership and coping With Stress/Crisis

“...transformational leaders both enhance follower commitment and, at the same time, serve to reduce employees’ feelings of stress” (54-55).

Transformational Leadership and Implementing Change

“Transformational leadership, particularly its charismatic elements, has been associated with producing change in groups and organizations” (55).

Transformational Leadership and Developing Leaders

“The core element of transformation leadership is the development of followers to enhance their capabilities and their capacity to lead” (55).

Conclusions

“...it is clear that transformational leadership does indeed affect group performance, regardless of whether performance is measured subjectively or by more objective means. Moreover, transformational leadership does lead to performance beyond expectations in relation to transactional leadership. What is often overlooked is how transformational leaders help develop followers to be better contributors to the group effort—more creative, more resistant to stress, more flexible and open to change, and more likely to one day become transformational leaders themselves” (56).

The Dynamics of Charisma and Crisis

“Weber (1924/1947) noted that charismatic leaders are likely to emerge during times of instability, crisis, and turmoil. Such times increase the feelings among people of helplessness, agitation, anxiety, and frustration. They accept the directions of charismatic leaders who appear to be qualified to lead them out of their distress...Followers respond to the charismatic leader with passionate loyalty because the salvation, or promise of it, that he appears to embody represents the fulfillment of urgently felt needs” (Tucker, 1970, p. 81) (64).

Coping with Stress in Teams

“There are a number of ways that transformational leadership can contribute to the resolution of conflict within teams and small groups. For example, the leader’s inspirational motivation creates a positive, optimistic environment for identifying the source of stress and an expectation of its resolution.



“The intellectually stimulating leader moves the team to define the crisis or conflict, to identify the facts and opinions, to determine the desired results, and to obtain open statements of opinions (for which trust of the transformational leader is needed)” (71).

Why Transformational Leadership Is Needed

“To be effective in crisis conditions, leaders must be transformational—able to rise above what their followers see as their immediate needs and appropriate reactions” (75).

Transforming Crises Into Challenges

“Intellectually stimulating transformational leaders can halt crises by questioning assumptions and disclosing opportunities, fostering unlearning, and eliminating fixation on old ways of doing things (Nystrom & Starbuck, 1984). Inspirational leaders inspire courage and stimulate enthusiasm” (77).

Enhancing Cohesion

“Transformational leaders reduce stress among followers by creating a sense of identity with a social network of support” (79).

Transformational Organizational Cultures

“In their best-selling book on successful, visionary companies, *Built to Last*, Collins and Porras (1994) suggest that these durable organizations thrive because they possess a culture that balances the continuity of core ideals and the inevitability of change. Organizations such as GE, Disney, Hewlett-Packard, and Marriott are successful partly because of the work of their founders and subsequent leaders but mainly due to their visionary and transformational culture” (99).

Transformational Leadership of Men and Women

“Historically, the vast majority of noted leaders have been men...Yet if the elements of charismatic-transformational leadership are analyzed, they suggest that women might be more likely to engage in transformational leader behaviors and be more effective transformational leaders than men. For example, the ability to inspirationally motivate followers is largely dependent on skill in emotional communication to effectively and accurately communicate inspiring emotional messages” (112).

Implications of Transformational Leadership for Organizational Policies

“Unless it is already predominantly transformational, the overall amount of transformational leadership in an organization can be increased substantially by suitable organizational and human resources policies. Transformational leadership at all levels in a firm should be encouraged because it can make a big difference in the firm’s performance if it is nurtured at any level, not just at the top level of leadership” (127).

Implications For Strategic Planning

“The degree to which an organization is based on transformational or transactional leadership affects the openness and control of the flows of information, the importance of organizational rules and procedures, the centralization or decentralization of power, and the bases of power (expert vs. legitimate vs. esteem). All of these will likely affect the organization’s strategic planning” (129).

Implications for Recruiting

“Organizations with high levels of transformational leadership and a transformational organizational culture should attract better recruits” (131).



Implications for Selection and Promotion

“The leadership components of idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration that describe transformational leaders can be incorporated into assessment, selection, and promotion programs” (132).

The Development of Transformational Leadership

“Can transformational leadership be developed, taught, and learned? The quick answer is yes. But to truly understand how individuals become transformational leaders, we need to start with early life experiences, continue with examination of how early leadership experiences and life experiences may affect later leadership development, and look at how managers and leaders are trained and developed in organizations” (142).

Competencies to be Learned

“Conger and his colleagues (Conger & Benjamin, 1999; Conger & Kanungo, 1988) suggest that their definition of charismatic leadership, which includes the four components of transformational leadership, could be developed by learning five competencies.

1. Critical evaluation and problem detection
2. Envisioning
3. The communication skill for conveying a vision
4. Impression management
5. How and when to empower followers” (150-151).

Feedback

“For people to change their behavior, perceptions and attitudes, they must be aware of the specifics that require changes and they must have the motivation to make such changes. A diagnosis is needed to establish appropriate changes in their behavior to improve the success and effectiveness of their leadership” (152).

Self-Confidence/Self-Esteem/Self-Efficacy

“Effective leaders generally have high levels of self-esteem and positive self-regard (Bass, 1990a)” (169).

Locus of Control

“Individuals having an internal locus of control—believing that they have personal control over their own lives—should be associated with charismatic and transformational leadership” (170).

Conclusions (predictors and correlates)

“There are many and varied predictors and correlates of transformational leadership. In addition to providing a better understanding of the psychological makeup of transformational, transactional, and laissez-faire leaders, studying personality and other individual differences and their relationship to leadership can help us in leader identification, selection, and development. Clearly, however, there is much opportunity for research on this topic” (180).



Transformational Leadership: Future Challenges and Applications

“Much of the reason is because the nature of leadership has changed drastically in recent years. The world has gotten increasingly complex and fast paced. This requires individuals, groups, and organizations to continually change and adapt. Transformational leadership is, at its core, about issues around the processes of transformation and change.

“The role of the leader has changed. Autocratic and authoritarian leaders, although they still exist, are no longer the norm. Leaders are expected to listen to followers and be responsive to their needs and concerns and include them in decision making. Mentoring, coaching, empowering, developing, supporting, and caring are not only expected leader behaviors but also necessary for today’s effective leader.

“Importantly, followers have also changed. Often, they are knowledge workers—informed, enlightened, and often knowing more than the leader about how to get the task done. However, they are also an increasingly diverse group, and one leadership style cannot work with them all. They are empowered, have varied and more numerous needs, and want to be able to see how following the leader is consistent with their own personal goals. Moreover, they are the future leaders, so if a unit or organization is going to succeed over time, follower’s leadership potential must be developed and realized. Transformational leaders develop followers into leaders” (225).

