Transformational Leadership: A Constructive Analysis of Leadership Behavior

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ABSTRACT: One of the most interesting matters of human being at all times is leadership. The theory and practice of transformational leadership in the organization has to change with the development and maturation of the organization and enjoying success and attention as an exceptional leadership theory. Transformational leadership theory is a prominent representative of the new theories that have occupied center stage in leadership research. The transformational and transactional theory of leadership developed by Burns (1978) and Bass (1985) and both are explained with models that how critical personality differences in leaders’ leadership styles. Transformational leaders work to enhance the motivation and engagement of followers by directing their behavior toward a shared vision. Transformational leadership, comprising characteristics of idealized influence, individualized consideration, intellectual stimulation, and inspirational motivation has been found to have implications for higher leadership effectiveness in organizations. The purpose of this paper is to review and analysis the components of transformational leadership theory and practice through existing literature review.

KEYWORDS: Transformational leadership; Leaders; Theory; Leadership styles.

Date of Submission: 20-02-2019
Date of acceptance: 05-03-2019

I. INTRODUCTION

Leadership has been defined in terms of individual traits, leader’s behavior, communication patterns, relationship role, follower views, influence over followers, stimulus on task goals, and stimulus on organizational culture(Yukl, 1989).Leadership is a management role, which is mostly directed towards people, it is a process of influencing people to achieve the goals of the business and businesses at present-day are more concerned about thought development of their leadership(Lim & Ployhart, 2004; Metwally & Elbishbishy, 2014; Skansi, 2000).

 Transformational leadership is a well familiar and broadly research topic in a multiple of disciplines(Arnold, Turner, Barling, Kelloway, & Mckee, 2007; B. M. Bass, 1995; B. M. Bass, Avoilio, & Goodheim, 1987; Keller, 2006; Kirkbride & Kirkbride, 2006; Metwally & El-bishbishy, 2014; Piccolo, 2006; Seltzer & Bass, 1990; Smith et al., 2004; Turner, Barling, Epitropaki, Butcher, & Milner, 2002; Yammarino, Spangler, & Bass, 1993). Though the term transformational leadership was firstpresented by Downton (1973), the concept did not gain credibility and worldwide acknowledgement until the publication of the book ‘Leadership’ by James MacGregor Burns (1978)(Mecdowelle, 2009). After that in 1985, Bass expanded the theory of transformational leadership whereas the leader can inspire and activate subordinates to perform and attainobjectives beyond regularhopes(Arnold et al., 2007; F. J. Y. and B. M. Bass, 1990; Keller, 2006). According to Burns (1978) a leader is professed as transformational when leaders support and encourage followers to raise the level of their morals, motivation, beliefs, perceptions, and association with the goals of the businesses(B. M. Bass et al., 1987; Metwally & El-bishbishy, 2014).

 Transformational leadership theory breakdowns on the declaration that certain leader behaviors can arouse followers to a higher level of thinking(B. M. Bass et al., 1987; Piccolo, 2006).(Podsakoff, Mackenzie, & Moorman, 1990; Wang, Oh, Courtright, & Colbert, 2011) have stated that transformational leadership motivates followers to go beyond the minimum requirements of their job descriptions, resulting in higher levels of contextual performance.The transformational leader pronounces a realistic vision of the future that can be shared, inspires subordinates intellectually, and pays attention to the decrease differences among the attendants(B. M. Bass et al., 1987; Yammarino et al., 1993)). Leadership behavior is multidimensional(Avolio & Bass, 1995). Some research shows that transformational leadership has wares for organizational operating, and transformational leadership(B. M. Bass, 1995; B. M. Bass et al., 1987) could be related to high levels of ethicalimprovement(Turner et al., 2002).Leader behaviors, especially transformational or transactional leadership, positively impact the performance of juniors and their units(Keller, 2006; Lim & Ployhart, 2004) and the ability of juniors or task feedback, offer their own justifications of juniors performance detachedfrom that of leadership(Keller, 2006; Yammarino et al., 1993).
Transformational Leadership: A Constructive Analysis of Leadership Behavior

Transactional leadership may lead to projected performance where transformational leadership (B. M. Bass et al., 1987) has the potential to result in performance beyond expectations and transformational leaders rise the followers’ confidence and their inherent worth of performance, resulting in greater levels of inspiration (Podsakoff et al., 1990; Wang et al., 2011). Transformational leadership efforts to create emotional relations with its followers and inspires higher values. Such leadership conveys the importance of having a shared mission and pervading a sense of purpose, direction and connotation into the followers’ efforts (García-morales, Jiménez-barrionuevo, & Gutiérrez-gutiérrez, 2012; Yammarino et al., 1993). It is extremely domineering to understand the link between transformational leadership and organizational commitment, so this behavior could be used for unceasingly develop the organizational commitment of the staffs (Jain, 2015). The example of transformational leadership committed to the organization’s goals and their internalization in its followers pursues to inspire commitment to results on the part of the organization’s members (B. M. Bass, 1999). The concept of transformational leadership continues to progress and remains a vigorous and important part of among the leadership literatures (McDowelle, 2009; Reza, 2018). The purpose of this present study is to examine and analysis the of transformational leader and leadership practices through existing literature review about the leadership.

II. LITERATURE REVIEW

Transactional Leadership

Burns (1978) and Bass (1985) have distinguished transformational leaders (who inspire through a vision) from transactional leaders (who use exchange relationships and monitoring) (Keller, 2006). Transactional leadership refers to the exchange relationship between leader and follower to meet their own self-interests and it may take the form of depending reward in which the leader clarifies for the follower through direction or involvement what the follower needs (B. M. Bass, 1999). Transactional leadership is a course of social exchange between followers and leaders that involves a number of reward base transactions and the transformational leaders elucidates performance expectations, goals, and the mode that will connect the achievement of the goals to rewards (B. M. Bass et al., 1987; Smith et al., 2004). The transaction leaders also monitor followers’ performance and takes corrective actions if necessary (B. M. Bass, 1995).

Transactional leadership signifies those interchange in which both the superior and the sub-ordinate influence one another communally (Smith et al., 2004; Yukl, 1989). Transactional leadership stimulates compliance with existing organizational goals and performance potentials through supervision and the use of rewards and punishments. There are two dimensions of transactional leadership: contingent reward and management by exceptions (Kirkbride & Kirkbride, 2006; Sarros & Santora, 1995). Transactional leadership reacts to problems as they arise and leaders work within existing an organizational culture. The transactional managers enters into an exchange relationship with employees and responds primarily only when goals are not encountered (B. M. Bass, 1995; B. M. Bass et al., 1987; Deluga, 1988).

Transformational Leadership

According to Burns a leader is seeming as transformational when leaders support and encouragement raise the level of their morals, motivation, beliefs, perceptions, and association with the objectives of the organization (B. M. Bass et al., 1987; Metwally & El-bishbishy, 2014). Transformational leadership refers to the leader moving the follower beyond immediate self-interests through idealized influence (charisma), inspiration, intellectual stimulation, or individualized consideration (Avolio & Bass, 1995; B. M. Bass, 1999). Transformational leadership occurs when a leader inspires followers to share a vision, empowering them to achieve the vision, and provides the resource necessary for rising their personal potential (B. M. Bass et al., 1987; Smith et al., 2004; T & Gardner, 2005). Transformational leaders serve as icons, support positively and transformational leadership focuses on the rising of employee motivation and attempts to link employees’ sense of self with structural values (B. M. Bass, 2006; Smith et al., 2004; T & Gardner, 2005). Transformational leadership is in some ways an expansion of transactional Leadership and it highlights the transaction or exchange that takes place among leaders, colleagues, and followers (B. M. Bass, 2006). Transformational leadership is satisfying basic needs and meeting higher needs though inspiring and motivating followers to provide newer solutions and create a suitable workplace (Claudine, 2015).

Transformational leadership increase the consciousness of followers by alluring to higher ideals and values such as freedom, integrity, peace, and equality and also transformational leaders emphasize new ideas, thus “transform” organizational culture (Sarros & Santora, 1995). Transformational leaders, who appeal to group interests and ideas of organizational success. They motivate followers to achieve performance beyond expectations by transforming followers’ attitudes, beliefs, and values as opposed to simply gaining compliance (B. M. Bass et al., 1987; Rafferty & Griffin, 2004; Yukl, 1989). Perhaps the vision of common goal as expressed by the transformational leader has relegated detrimental organizational game playing to a subordinate role (Deluga, 1988). Transformational leadership produces greater awareness and acceptance of the
Transformational Leadership: A Constructive Analysis of Leadership Behavior

purpose and mission of the organization and fosters a shared vision, re-orienting the training and construction of work teams (García-morales et al., 2012). It elevates the follower’s level of maturity and ideals as well as concerns for achievement, self-actualization, and the well-being of others, the organization, and society (B. M. Bass, 1995, 1999, 2006). Transformational leadership attempts to create emotional links with its followers and inspires higher values (García-morales et al., 2012).

Transformational leader encourages followers to go beyond self-interest for the good of the team or the organization and they are inspiring the followers to accomplish the organization’s mission and vision (Bennis, 2006; Deluga, 1988; Hautala, 2016; Metwally & El-bishbishy, 2014). Some studies have indicated that, higher productivity, lower employee turnover rates, higher job satisfaction and self-motivation are happened due to transformational leadership more than transactional leadership or non-transformational leadership (Bennis, 2006; Hautala, 2016). Transformational leadership has much in common with charismatic leadership, but charisma is only part of transformational leadership (B. M. Bass, 2006; T & Gardner, 2005). Transformational leadership is related not only to individual follower performance but also to performance at the group and organization levels (B. M. Bass, 1999; Gomes, 2016; Smith et al., 2004). Transformational leaders move the followers to go beyond their own self-interests for the welfare of their group, organization, community, society or country as a whole (B. M. Bass, 2006; Conger, 2015).

Dimensions of Transformational Leadership

According to Burns Transformational leadership consists of four dimensions: (a) idealized influence, (b) inspirational motivation, (c) intellectual stimulation, and (d) individualized consideration (B. M. Bass, 1999, 2006; Kirkbride & Kirkbride, 2006; Lim & Ployhart, 2004; T & Gardner, 2005).

Idealized Influence (II)

Idealized influence refers to leaders who act as strong role models for their followers due to their extraordinary abilities and high principles of ethical conduct (B. M. Bass, 2006; T & Gardner, 2005). Transformational leaders behave in ways that allow them to serve as role models for their followers and they are admired, respected, and trusted (B. M. Bass, 2006; T & Gardner, 2005). Such leaders are regarded as a role model either because they show certain personal characteristics like charisma (B. M. Bass, 2006; Kirkbride & Kirkbride, 2006; T & Gardner, 2005). Followers identify with the leaders and want to emulate them; leaders are endowed by their followers as having extraordinary capabilities, persistence, and determination (B. M. Bass, 2006; T & Gardner, 2005). Idealized influence describes leaders who act as strong role models to followers (Seloane, 2010). The leaders deliver their followers with a clear vision and mission for their company, and in turn, earn a high level of respect and trust from their followers (B. M. Bass, 2006; T & Gardner, 2005).

Inspirational Motivation (IM)

Inspirational motivation the second component involves leaders’ ability to motivate followers so that they are able to perform beyond the expectation (Jain, 2015). Transformational leaders behave as like that motivate and inspire those around them by giving meaning and challenge to their followers’ work (B. M. Bass, 2006). Raising the consciousness of followers about organization’s mission and vision, encouraging in every matter and make them committed to organization is the key facets of the transformational leadership of inspirational motivation (Kirkbride & Kirkbride, 2006; Sarros & Santora, 1995). These leaders are motivated to fulfill goals with inspirational motivation have a cooperative vision that they are able to coherent to followers (B. M. Bass et al., 1987; Metwally & El-bishbishy, 2014). Inspirational motivation dimension bring into line individual and organizational goals, thus making the achievement of organizational goals an attractive means of achieving personal goals (Seloane, 2010). Transformational leaders should, therefore, behave in such a way, which motivates and inspires followers (Das, 2017).
Intellectual Stimulation (IS)

Transformational leaders stimulate their adherents’, efforts to be innovative and creative by questioning expectations, reframing difficulties, and imminent new ideas. There is no public criticism of individual members’ mistakes (Avolio & Bass, 1995; B. M. Bass, 2006). Intellectual stimulation essentially involves the leader stimulating the followers to think through issues and problems for themselves and thus to develop their own abilities (Kirkbride & Kirkbride, 2006). Intellectual stimulation is concerned with the role of leaders to challenge creativity and innovation among followers (Metwally & El-bishbisy, 2014). Followers are encouraged to try new approaches, and their ideas are not criticized because they differ from the leaders’ ideas (B. M. Bass, 2006). Intellectual stimulation arguably forms part of empowerment and continuous improvement to followers or people (Reza, 2018; Seloane, 2010). (B. M. Bass et al., 1987; Seltzer & Bass, 1990) stated that one of the most stimulating leaders was Socrates, although he was viewed as a troublemaker and as troublesome the status quo. Leaders who intellectually stimulate followers or employees encourage creativity and accept challenges as a part of their job (Sarros & Santora, 1995).

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 (Avolio & Bass, 1995; B. M. Bass, 2006). Individualized consideration is practiced when new learning opportunities are created along with a supportive climate (Avolio & Bass, 1995; B. M. Bass, 2006). Individualized consideration recognizes differences among people in their strengths and weaknesses, likes and dislikes (Kirkbride & Kirkbride, 2006). Individualized consideration compacts with the transformational leadership behaviors of leaders who use this style of leadership show consideration for their followers’ needs and are prepared to encourage the development of suitable work place behavior (Kirkbride & Kirkbride, 2006; Sarros & Santora, 1995). It in terms of needs and desires are recognized. The leader’s behavior establishes the recognition of individual differences (B. M. Bass, 2006). Appropriate transformational abilities of leaders which are assumptions for the use of leaders' skills and for successful performance of leader’s jobs (Das, 2017). According to (B. M. Bass, 1999, 2006; Das, 2017; Pandey et al., 2017) transformational leaders has the following skills:

Table 1: Skills of Transformational leaders

<table>
<thead>
<tr>
<th>Skills of Transformational Leaders</th>
<th>Reflect to Followers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Creativity</td>
<td>Leaders concern creativity and innovation among the followers.</td>
</tr>
<tr>
<td>Visionary</td>
<td>Leaders provide their followers with a clear vision and mission.</td>
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<tr>
<td>Team oriented</td>
<td>Leaders increasing awareness about teamwork.</td>
</tr>
<tr>
<td>Teaching</td>
<td>Influence people in the process of change to teach, direct and correct them.</td>
</tr>
<tr>
<td>Attention to followers</td>
<td>Leaders pay special attention to each individual follower’s needs.</td>
</tr>
<tr>
<td>Motivator</td>
<td>Motivate followers to perform beyond the expectation.</td>
</tr>
<tr>
<td>Recognition</td>
<td>Followers are praised by leaders.</td>
</tr>
</tbody>
</table>
Transformational Leadership: A Constructive Analysis of Leadership Behavior

The full range leadership model, as attempts to portray the whole range of leadership styles from non-leadership to transformational styles (Kirkbride & Kirkbride, 2006). Table 2, illustrates 5 factors of transformational leadership, 3 factors of transactional leadership and 1 factor related to non-leadership that make the full-range leadership in operation.

### Table 2: Full-Range Leadership Theory

<table>
<thead>
<tr>
<th>Leadership theory</th>
<th>Factors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transformational</td>
<td>1. Idealized influence or attributed charisma</td>
</tr>
<tr>
<td></td>
<td>2. Idealized influence or behavioral charisma</td>
</tr>
<tr>
<td></td>
<td>3. Inspirational motivation</td>
</tr>
<tr>
<td></td>
<td>4. Intellectual stimulation</td>
</tr>
<tr>
<td></td>
<td>5. Individualized consideration</td>
</tr>
<tr>
<td>Transactional</td>
<td>6. MBE (active)</td>
</tr>
<tr>
<td></td>
<td>7. MBE (passive)</td>
</tr>
<tr>
<td></td>
<td>8. Contingent reward</td>
</tr>
<tr>
<td>Non-leadership</td>
<td>9. Laissez-faire</td>
</tr>
</tbody>
</table>

(B. M. Bass, 1999, 2006; B. M. Bass & Bass, 2000) proposes that effective leaders use both transformational and transactional competencies based on frequencies, namely transformational, contingent reward, MBE (active), MBE (passive) and, in exceptional circumstances, laissez-faire.

**World’s Some Transformational Leaders**

(B. M. Bass, 2006; B. M. Bass et al., 1987; Seloane, 2010) mentioned the following examples of Transformational leaders:

- Lido Anthony Lacocca, Chairman of Chrysler Corporation, he inspired his workers to make sacrifice at the time of bankruptcy by taking a salary of only one dollar for an entire year.
- Mahathir Mohamad, prime minister of Malaysia, with his “Vision 2020” for the Malaysia, which is now a fully developed nation within 2020.
- Lee Kuan Yew, former prime minister of Singapore, with his vision in the early 1980s of Singapore as the “Switzerland of the East” by 1999.
- Winston Churchill, who was not only an inspirational leader during the Second World War, but also a visionary leader by boding a European union of nations in 1945.
- Nelson Mandela used transformational leadership principles while working to abolish racism and enforce change in South Africa.
- Former USA president Franklin Roosevelt was regarded as a transformational leader.

**Top Corporate Transformational Leaders**

According to fortune global 500 ranking, the top 10 companies are leading the most successful transformations, creating new offerings and business models to push into new growth markets, share ideas, innovativeness, schemes, and strategies.

### Table 3: 2018 Top 10 Transformational Leaders

<table>
<thead>
<tr>
<th>Sequence</th>
<th>Organization</th>
<th>CEO</th>
<th>Sector</th>
<th>Industry</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Walmart</td>
<td>C. Douglas McMillon</td>
<td>Retailing</td>
<td>General Merchandisers</td>
</tr>
<tr>
<td>2.</td>
<td>Exxon Mobil</td>
<td>Darren W. Woods</td>
<td>Energy</td>
<td>Petroleum Refining</td>
</tr>
<tr>
<td>3.</td>
<td>Berkshire Hathaway</td>
<td>Warren E. Buffett</td>
<td>Financials</td>
<td>Insurance: Property and Casualty (Stock)</td>
</tr>
<tr>
<td>4.</td>
<td>Apple</td>
<td>Timothy D. Cook</td>
<td>Technology</td>
<td>Computers, Office Equipment</td>
</tr>
<tr>
<td>5.</td>
<td>UnitedHealth Group</td>
<td>David S. Wichmann</td>
<td>Health Care</td>
<td>Health Care: Insurance and Managed Care</td>
</tr>
<tr>
<td>7.</td>
<td>CVS Health Corp.</td>
<td>Larry J. Merlo</td>
<td>Health Care</td>
<td>Health Care: Pharmacy and Other Services</td>
</tr>
<tr>
<td>8.</td>
<td>Amazon</td>
<td>Jeffrey P. Bezos</td>
<td>Retailing</td>
<td>Internet Services and Retailing</td>
</tr>
<tr>
<td>9.</td>
<td>A T&amp;T</td>
<td>Randall L. Stephenson</td>
<td>Telecommunication</td>
<td>Telecommunications</td>
</tr>
<tr>
<td>10.</td>
<td>General Motors</td>
<td>Mary T. Barra</td>
<td>Motor Vehicles &amp; Parts</td>
<td>Motor Vehicles and Parts</td>
</tr>
</tbody>
</table>
These companies from Fortune 500 Global ranked highest in their new growth transformation. Every company propelled in the developments of new products, services, strategies, business models, and financial performance.

III. CONCLUSIONS

Transformational leadership scrutinizes individuals who have the capability to change states and influence their followers using a challenging and visionary vision. Studies and evidences from whole over the world suggests that transformational leadership classically provides a positive growth in leader performance than the influence of transactional leadership. Transformational leadership is an effective form of leadership globally because the transformational leaders are consistent with their vision more careful about followers. Transformational leadership enriched interpersonal relationship between supervisors and subordinate that creates higher level of job satisfaction among the employees. Transformational leadership theory and practice enhance the understanding of team performance (Dionne, 2016). Transformational leaders also help employees to become more creative, innovative and bring new ideas. Transformational leadership is more adaptive where employees are empowered with greater responsibility and encouraged to take initiative. Transformational leaders work actively find out the best thing in their employees or followers and increase their confident level by providing inspiration. To appear as a transformational leader, the person’s prerequisite is to be visionary and expressive well with his/her followers. Moreover, wisdom gives the leader more potentiality to make sophisticated and intelligent decisions. The consistent growth in today’s business is not attainable without adopting the transformational leadership and accomplish the goals of organization smoothly.

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Transformational Leadership: A Constructive Analysis of Leadership Behavior


