

White Paper

Transformational Leadership

- **What is Transformational Leadership?**
- **Who coined the term Transformational Leadership?**
- **How is Transformational Leadership measured?**
- **Why is the MLQ the best tool for measuring Transformational Leadership?**
- **What does the MLQ consist of?**
- **How is Transformational Leadership assessment used in the professional development of leaders?**
- **Is Transformational Leadership measured only in the U.S.?**

What is Transformational Leadership?

Transformational leaders are those who transform their followers into becoming leaders themselves. From Wikipedia, "Transformational leadership is a leadership approach that is defined as leadership that creates valuable and positive change in the followers. A transformational leader focuses on "transforming" others to help each other, to look out for each other, to be encouraging and harmonious, and to look out for the organization as a whole. In this leadership, the leader enhances the motivation, morale and performance of his follower group." From Bass and Riggio (2006, page 3), "Transformational leaders are those who stimulate and inspire followers to both achieve extraordinary outcomes and, in the process, develop their own leadership capacity. Transformational leaders help followers grow and develop into leaders by responding to individual followers' needs by empowering them and by aligning the objectives and goals of the individual followers, the leader, the group, and the larger organization. Evidence has accumulated to demonstrate that transformational leadership can move followers to exceed expected performance, as well as lead to high levels of follower satisfaction and commitment to the group and organization."

There are four components of Transformational Leadership (Bass, Bernard M. 1998 Transformational Leadership . New York: Lawrence Erlbaum Assoc, Inc.):

Idealized Influence (also known as Charismatic Leadership) – Transformational leaders act in ways that make them role models. They are respected, admired and trusted. Followers identify with them and describe them in terms that imply extraordinary capabilities, persistence and determination. These leaders are willing to take risk. They can consistently be relied upon to do the right thing, displaying high moral and ethical standards.

Inspirational Motivation – These leaders embody the term “team spirit”. They show enthusiasm and optimism, providing both meaning and challenge to the work at hand. They create an atmosphere of commitment to goals and a shared vision.

Intellectual Stimulation – a Transformational Leader encourages creativity and fosters an atmosphere in which followers feel compelled to think about old problems in a new way. Public criticism is avoided.

Individualized Consideration – Transformational leaders act as mentors and coaches. Individual desires and needs are respected. Differences are accepted and two-way communication is common. These leaders are considered to be good listeners, and along with this comes personalized interaction. Followers of these leaders move continually toward development of higher levels of potential.

Who coined the term Transformational Leadership?

The term Transformational Leadership was introduced in 1978 by James MacGregor Burns in his analysis of political leaders. His conclusions centered around the differences between management and leadership. He communicated the two basic concepts of “transformational” and “transactional” leadership.

In 1985, Bernard M. Bass added to Burns’ theory on Transformational Leadership, and in the early 1990’s Bass and Bruce Avolio, through empirical study, mapped the most common leadership approaches of managers and military commanders. They placed Transformational and Transactional Leadership on a continuum and defined more stages at the passage between the two leadership approaches. This model is called "The full range of leadership."

How is Transformational Leadership measured?

While researching these concepts, the Multifactor Leadership Questionnaire (MLQ) (Bass & Avolio) was used. The MLQ measures the concepts of transformational and transactional leadership. The MLQ has undergone various revisions over the years and had achieved a set of items that are clear, behaviorally based, and so central to the concepts that there are only four items per concept (scale) and yet the MLQ consistently shows excellent validity and prediction of organizational performance.

Why is the MLQ the best tool for measuring Transformational Leadership?

- ❖ Bernard Bass, besides being known as a father of Transformational Leadership, is also the author of the famous Bass & Stogdill's Handbook of Leadership. In developing the MLQ he used his deep knowledge about leadership and what predicts organizational performance.
- ❖ The MLQ has become the benchmark measure of Transformational Leadership.
- ❖ The MLQ measures, and the MLQ report makes personal to individuals how they relate on the key factors that set truly exceptional leaders apart from marginal ones.
- ❖ Valid across cultures and all types of organizations (see Bass 1997)
- ❖ Easy to administer, requires 15 minutes for a rater to complete the 45 questions
- ❖ Extensively researched and validated, documented in numerous journal articles and independent studies.
- ❖ Among leadership assessment methods, the MLQ provides the best relationship of "survey data" to "organizational outcome"

What does the MLQ consist of?

The classic form (MLQ 5X Short) of the MLQ includes both self and rater forms. The self form measures self perception of leadership behaviors. The rater form is used to measure leadership as perceived by people at a higher level, same level, or lower level in the organization than the leader. Each form is 45 questions. The ideal number of raters for a leader is 8-10, with at least 3 in the subordinate category. The MLQ also includes 9 outcome items rating the leader's

effectiveness and the satisfaction the rater has for the leader. The rater form is at the heart of the MLQ and may be used without the leader form if desired. The leader form serves to provide a contrast between how the leader perceives herself and how others perceive her. Validity is documented for the rater form, however there is no relationship between a leader's self-rating and organizational performance.

How is Transformational Leadership assessment used in the professional development of leaders?

The MLQ, in its measurement of Transformational and Transactional Leadership, reflects on leadership behavior. It provides a contrast between how the leader sees himself versus how others see him. The perceptions of others form critical feedback to the leader and provide specific information to that leader to provide a basis for growth and change. Frequently, the MLQ is administered before and after leadership training programs to focus the training and to measure the effect of these programs.

Is Transformational Leadership measured only in the U.S.?

The MLQ has been translated into dozens of languages and is used all over the world for the measurement of Transformational Leadership. Transformational leaders may be found in any culture.