



Bass Transformational Leadership Theory

An executive summary

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In 1978, James Macgregor Burns developed the transformational leadership theory where he proposed that leaders adopted one of two styles: the transactional or the transformational. The transactional leadership style is one which appealed to the person's self-interest. In other words, it **asks what the country could do for the person**. The transformational leadership style is one which exhorts the person to go beyond self-interest, focusing on motivations, morale and values. This is the **"Ask-what-you-can-do-for-the-country"** style. Bernard M. Bass picked up the discussion from 1985, outlining the need for both transactional and transformational leadership traits to lead to a big payoff.

Transactional Leadership Traits

Two factors that characterize transactional leadership are *initializing and organizing work* (accomplishing the tasks at hand), and *showing consideration for employees* (satisfying the self-interests of those who do good work, or punishing those who don't). The latter revolves around promise, reward and punishment – transactions between the leader and the follower. However, such transactions are a prescription for mediocrity, especially if such leadership revolves around "management-by-exception (MBE)" – intervening only when things do not go according to plan. Bass identified three levels of MBE:

- (1) active, in which the transactional leader will monitor the progress from afar and take corrective action if the follower fails to meet certain standards;
- (2) passive, where the transactional leader waits for problems to arise before taking action (embracing the concept of "*If it ain't broke, don't fix it*"); or
- (3) laissez-faire, where he avoids any form of action whatsoever.

Moreover, the promise of rewards or the avoidance of penalties depends on whether the leader has control over these rewards and penalties, and whether the followers want the rewards or fear the penalties. In short, if the trappings of transactional leadership are not trusted, there is little performance.

Transformational Leadership Traits

Transformational leaders move followers beyond normal self-interest through idealized influence (positive charisma), inspiration, intellectual stimulation or individualized consideration. It elevates the followers' level of maturity and ideals, as well as concerns for achievement, self-actualisation, and the well-being of others.

Idealised influence (as opposed to undesirable influence, as exerted by Hitler) and inspirational leadership are displayed when the transformational leader envisions a desirable future, articulates how it can be reached, sets an example to be followed, and shows determination and confidence.

Intellectual stimulation is demonstrated when the leader helps followers become more innovative and creative, providing them opportunities to learn and grow, and embracing the failing forward process.

Individualised consideration is demonstrated when the leader shows active attention to the developmental needs of their followers, supporting and coaching them to meet these needs. Transformational leaders delegate assignments as opportunities for growth.

Aligning transactional and transformational leadership

There was a time when transactional leadership was enough to get things done. Forty years ago, parents believed that it was most important to teach children to be respectful of authority, to respect religion, to respect the government, to avoid questioning authority. Today, parents feel that it is their responsibility to teach children to accept responsibility, be willing and confident to accepting challenges, and to question authority when necessary. The picture of the “ideal” worker in the 1970s in Singapore was one who was totally dedicated to one organisation, taking every bit of instruction that was handed to them, and never questioning authority. To be transformational then, it was sufficient to just move the individual past his personal self-interest for the good of the organisation. The normal worker of the 2000s, in contrast, is one who is skeptical and cynical, and who does not accept anything that the leader dishes out to them without thinking it through, asking especially, “So, what’s in it for me?” Moving followers towards the good of the organisation requires alignment of individual self-interest with the values of the organisation. Workers these days will not move in an altruistic manner, requiring self-interests equally to be aligned with organizational vision. In other words, a transformational leader needs to be able to address transactional needs while leading their followers to become transformational.

For this to happen, trust in leadership is again crucial.

Do you want to know your transformational leadership traits?

Why not sign up for our Success Quotient Intelligence (SQI) Transformational Leadership assessment and receive a report on your traits and how they contribute to your transactional and transformational leadership styles, and how they impact on your leadership. For more information, call +65-6679-5880 or email Irene@growthconsultingasia.com