

# Transformational Leadership: A New Force In Leadership Research

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*Transformational leadership is recognized as one of the current approaches to leadership that has been the focus of much research since the early 1980s. Over the past few years, there had been the study of transformational leadership in several parts of the world. One of the assumptions is that transformational leadership model has helped researchers to understand the leadership phenomena in a number areas of disciplines. The current paper reviews key components of the transformational leadership mode and followed by its relations to performance outcomes. Also, it reveals the role of transformational leadership on cultural universal and cultural specific.*

Keyword: Transformational leadership, Organisational performance, Culture, Leadership

## 1. Introduction: Background

Transformational leadership was initially developed by a political scientist named Burns (1978) who was the first scholar to distinguish conceptually between transactional and transformational leadership (Yukl, 1998). In his work "*Leadership*", Burns linked the roles of "leadership" and "followership" by defining leaders as those individuals who attempted to find followers' interests and needs in order to reach the goals of both leaders and followers, and classified leadership into two categories: namely transactional and transformational leadership. Transactional leadership, for Burns, emphasized satisfying followers' lower level needs based on a cost-benefit exchange process that occurred between leaders and followers. Transactional leaders, therefore, "approach followers with an eye to exchanging one thing for another: jobs for votes, or subsidies for campaign contributions." (Burns, 1978, p. 3). Then, he contrasted transactional with transformational leadership. He defined transformational leadership as a process in which leaders tried to raise the consciousness of followers by appealing to higher ideals and moral values. This type of leader was attentive to the needs and motives of followers and tried to motivate followers to reach collective outcomes by going beyond their own self interests. By doing so, transformational leaders needed be able to define and articulate a vision for their organisations, and the followers had to accept the credibility of the leader.

Bass (1985) was one of the early scholars who extended the concept of transactional and transformational leadership, based on the work of Burns, to more organisational situations (Howell and Avolio, 1993). Bass argued that a common problem with leadership research was that a new leadership theory often was substituted for a previous theory that fell into disfavor: "Rather than build on earlier theories, there is a tendency to discount them for the sake of introducing a "new way of thinking" (Bass and Avolio, 1993, p. 51). He disagreed with this strategy and thus leadership researchers should not abandon previous leadership models because:

*"we can now build on previous models to broaden our*

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*understanding of leadership and its full development. Hence any improvements that can be made to increase the reliability and validity of measures that tap into outstanding leadership styles such as transformational would likely have immediate benefits for practicing managers and leaders" (Bass and Avolio, 1997, p. 1).*

Although the foundation concept of transformational leadership between the Burns and Bass works were similar, some major differences were pointed out. In contrast to Burns, Bass believed that transformational and transactional leaders were not portrayed as occurring at opposite ends of a continuum. In fact, for Bass, transformational and transactional leadership behaviour could not be totally separated because both leadership behaviours were likely to be displayed by the same individual in different amounts and intensities (Bass, 1985) or "most leaders do both but in different amounts" (p. 22). Another distinction was the level of operation of leadership. According to Hede and Wear (1996), Burns was primarily interested in leadership at the macro level (national level), whereby leaders influence vast constituencies beyond their immediate or direct followers. Bass, by contrast, concentrated on the micro level of leadership, whereby leaders and followers were involved in smaller groups and relationships were more direct and interpersonal.

## **2. Transformational Leadership: Bass and Avolio Model**

In developing an instrument to measure transformational and transactional leadership, Bass began his first data collection in 1980, that was, the collection of qualitative data from 70 South Africa senior executives (Bass and Avolio, 1993). The reaction of these executives, combined with the responses from 196 U.S. Army colonels in 1985, enabled him to produce a 73-item questionnaire, the Multifactor Leadership Questionnaire (MLQ). Subsequently, the MLQ was refined and used to measure the three major leadership behaviours: laissez-faire, transactional, and transformational leadership. These leadership behaviours "help to define the range of leadership behaviours commonly observed by followers from very active through very inactive leaders" (Bass and Avolio, 1993, p. 51). The three leadership behaviours, non-leadership, transactional leadership, and transformational leadership, and their components, are described below.

### **2.1 Non-Leadership Behaviour**

**Laissez-faire** leadership was considered as a negative form of leadership. This leadership was demonstrated when a leader avoided clarifying expectations, addressing conflicts, and making decisions. It referred to an absence of leadership. In other words, he/she avoided getting involved when important issues arise, or showed no concern and responsibility for the results of projects in their control. Consequently, followers working under this kind of leader normally were left to their own responsibilities and might need to seek assistance, support, and supervision from alternative sources (Dubinsky, Yammarino, Jolson, and Spangler, 1995) and often attempted to usurp the role of leader (Coad and Berry, 1998).

### **2.2 Transactional Leadership Behaviour**

Similar to Burns' concept, transactional leadership was mainly based on contingent reinforcement. A transactional leader identified and clarified his/her expectation to followers and promised rewards in exchange for the desired goals. To achieve the desired goals, the transactional leader needed to clearly determine and define the role and task required for the followers. At the same time, transactional leaders also recognized the immediate needs of his/her followers and communicated to them how those needs would

be met. This implied that the main characteristics of transactional leaders were those who: (a) recognized what their followers want to get from their work, and they could get it, if they met the required performance; (b) exchanged rewards and promises of reward for appropriate levels of performance; and (c) responded to the needs and desires of followers as long as they made the job done (Bass and Avolio, 1997, p. 17).

Transactional leadership had three components. **Contingent Reward** referred to an exchange process between leaders and followers. Contingent rewarding leaders provided their followers with rewards for good performance or discipline for poor performance. Through contingent reward, leaders employed goal setting to help clarify what was expected of their followers and what the followers could receive for accomplishing the goals and objectives. The followers might gain rewards in terms of recognition, bonuses, or merit increases (Howell and Avolio, 1993). "If the *contingent reward* strategy is executed properly, then the associates should achieve their objectives" (Bass and Avolio, 1996, p. 14).

**Management-by-exception** referred to leadership that involved corrective criticism, negative feedback, and negative reinforcement. Management-by-exception takes two forms: active and passive. The distinction between active and passive management-by-exception is primarily based on the timing of the leader's intervention (Howell and Avolio, 1993). The leader who relied heavily on **Management-by-Exception (Passive)** intervened with his or her group only when procedures and standards for accomplishing tasks were not met. In other words, the leaders waited until the tasks were completed before taking corrective process. The interest of this kind of leaders tended to be "leaving things alone as long as it doesn't give them too much trouble" (Bass and Avolio, 1996, p. 15). In contrast, **Management-by-Exception (Active)** leaders were characterised as monitors who detected mistakes. These leaders continuously monitored followers' performances and mistakes and immediately took corrective actions when required. The problem with these leaders was that the leaders might create a kind of "risk avoidance" followers. That was, the followers attempted to avoid taking risks or creating innovative ideas because they could make more mistakes that resulted in their leader's disapproval.

Although previous research studies indicated transactional leadership seemed to be an effective leadership behaviour in some situations such as police (Densten, 1999) or sales workforces (Dubinsky et al., 1995), there was concern about the limitations of performing the transactional leadership behaviour (Geyer and Steyrer, 1998; Bass and Avolio, 1997; Densten, 1999). The main concern of transactional leadership was that it was not an easy job for a leader to clarify his or her subordinates' needs and to arrange the promised rewards to meet those needs (Singer and Singer, 1990; Geyer and Steyrer, 1998).

In several cases, a transactional leader failed to work if the leader lacked reputation or resources to deliver the promises rewards and thus became an ineffective transactional leader. In addition, followers might play games with the leaders if rewards were tied too much to specific performance targets, that was, followers did exactly what they were told to do, no more, no less (Bass and Avolio, 1997). "This is not an effective base for continuous improvement" (p. 26). In summary, a leader was perceived as an effective leader when he or she displayed transactional leadership behaviour, particularly contingent reward. However, to achieve success of long-term "high-order" objectives, – "those commonly associated with highly successful organisational systems" (Bass and Avolio, 1997, p. 26), transformational leadership behaviour needed to be exhibited.

## **2.3 Transformational Leadership Behaviour**

Transformational leadership was a process in which the leaders took actions to try to increase their followers' awareness of what was right and important. This process was associated with motivating followers to perform "beyond expectation" and encouraging followers to look beyond their own self-interest for the good of the group or organisation. As a result, transformational leadership differed from transactional leadership by not only recognizing followers' needs and wants "but by attempting to develop those needs from lower to higher levels of maturity" (Bass and Avolio, 1997, p.17).

Transformational leadership went beyond the attempts of leaders who seek to satisfy the current needs of followers through transactions or exchanges process (Yammarino and Dubinsky, 1994), it aroused awareness of followers, increased confidence and moved followers gradually from concerns for existence to concerns for achievement and growth of the group. By working harder for a transformational leader, his/her followers could develop their skills by using their own decisions and taking greater responsibility (Den Hartog, Van Muijen and Koopman, 1997). Similar to Bass (1985), Yukl (1998) believed that transformational leadership could be exhibited by anyone in the organisation in any type of position. "It (transformational leadership) can occur in the day-to-day acts of ordinary people, but it is not ordinary or common" (p 351).

Transformational leadership had five components. **Idealised Influence** referred to leaders who encouraged followers to share their visions and goals. These leaders had strong personal appeal (Comer, Jolson, Dubinsky, and Yammarino, 1995) and power to influence over his/her subordinates by providing clear vision, a strong sense of purpose and perseverance to achieve the most difficult objectives. As a result, this kind of leader was thoroughly respected, trusted, and admired by their followers. In addition, such leaders normally considered their followers' needs over their own personal needs (Tracey and Himkin, 1998) and were willing to put aside their self-interest for the good of their organisations (Bass and Avolio, 1997). There were two types of idealised influence leadership in a recent theoretical development. That was, idealized influence could exert influence based on a perception in the eye of the beholder (**Idealized Influence Attributed**) or impact based on the behaviour of the leader (**Idealized Influence Behaviour**) such as persistence and determination.

**Inspirational Motivation** represented the appeal of challenging followers by symbols, and metaphors. In other words, inspirational motivation leaders expressed the importance and value of desired goals in simple ways and displayed high levels of expectations. These leaders often talked about a vision of the future and expressed confidence and commitment that their goals and visions could be achieved. They also tried to move followers to achieve extraordinary levels of accomplishment by showing high expectations and confidence in the followers. Thus, followers reacted by willingly increasing their efforts to attain the vision (Coad and Berry, 1998). Although charisma and inspirational motivation leadership were often highly correlated, inspirational leadership might or might not overlap with charismatic leadership. It depended on the extent to which followers seek to identify with the leaders (Bass and Avolio, 1993). Inspirational leaders could occur without the need for identification of followers with the leader (Charismatic leaders).

**Intellectual Stimulation** referred to leaders who challenged their followers' ideas and values for solving problems. Through intellectual stimulation, transformational leaders were able to show their followers new ways of looking at old problems. Such leaders encouraged their followers to use non-traditional thinking to deal with traditional problems and they often listened to followers' ideas even if different from theirs. The message was that "followers should feel free to try out new approaches, and their ideas will not be publicly criticised because they differ from those of the leader" (Coad and Berry, 1998, p.

166). As a result, the followers were encouraged to question their own beliefs, assumptions, and values for solving current problems from many angles perhaps not previously considered. Therefore, the followers could have capabilities to tackle and solve future problems on their own (Bass and Avolio, 1993) and were more likely to focus on their long-term development (Jung, Bass, and Sosik, 1995).

***Individualised Consideration*** referred to “understanding and sharing in others’ concerns and developmental needs and treating each individual uniquely” (Bass and Avolio, 1997, p. 29). Through individualised consideration, the leaders spent more time teaching and coaching followers and treated followers as individuals rather than just as members of a group. This was because the leaders considered their followers as having different needs, abilities, and aspirations from others. Therefore, the followers, who felt he/she received a leader’s special attention, were more likely to work harder to meet their leader’s high expectations (Jung et al., 1995). The leaders who exhibited individual consideration normally understood where the further development was needed for their followers. As noted by Bass and Avolio (1996):

*“Such individualised treatment reflects the leaders’ ability to diagnose their associates’ requirements for further development and the leaders’ ability to design appropriate strategies to satisfy as well as elevate their associates to higher levels of motivation, potential, and performance”. (p. 13)*

Summary of leadership factors and its definitions are exhibited in Table 1.

**Table 1 Definitions of the factors of leadership**

<b>Leadership factor</b>	<b>Leadership behaviour</b>
<i>Laissez-Faire</i>	Leadership is not attempted. There is abdication of responsibility, indecisiveness, reluctance to take a stand, lack of involvement, and absence of the leader when needed.
<i>Contingent Reward</i>	The leader gives followers a clear understanding of what needs to be done and/or what is expected of them, then arranges to exchange rewards in the form of praise, pay increase, bonuses, and commendations.
<i>Management-by-Exception (Active &amp; Passive)</i>	When it is active, the leader monitors the followers' performance and takes corrective action when mistakes or failures are detected. When it is passive, the leader intervenes only if standards are not met or if something goes wrong.
<i>Idealized Influence (Attributed)</i>	The leader has the followers' respect, faith, and trust. The followers want to identify with the leader. The leader shows determination and conviction.
<i>Idealized Influence (Behaviour)</i>	The leader shared a vision and sense of mission with the followers. Radical, innovative solutions to critical problems are proposed for handling followers' problems.
<i>Inspirational Motivation</i>	The leader increases the optimism and enthusiasm of followers. The leader communicates with fluency and confidence using simple language and appealing symbols and metaphors.
<i>Intellectual Stimulation</i>	The leader encourages new ways of looking at old methods and problems. The leader emphasizes the use of intelligence and creativity. The leader provokes rethinking and re-examination of assumptions on which possibilities, capabilities, and strategies are based.
<i>Individualized Consideration</i>	The leader gives personal attention to followers and makes each feel valued and important. The leader coaches and advises each follower for the followers' personal development.

**Source:** Bass, B. M. (1997a) 'Personal Selling and Transactional/Transformational Leadership', *Journal of Personal Selling & Sales Management*, Vol. XVII, No. 3, p. 22.

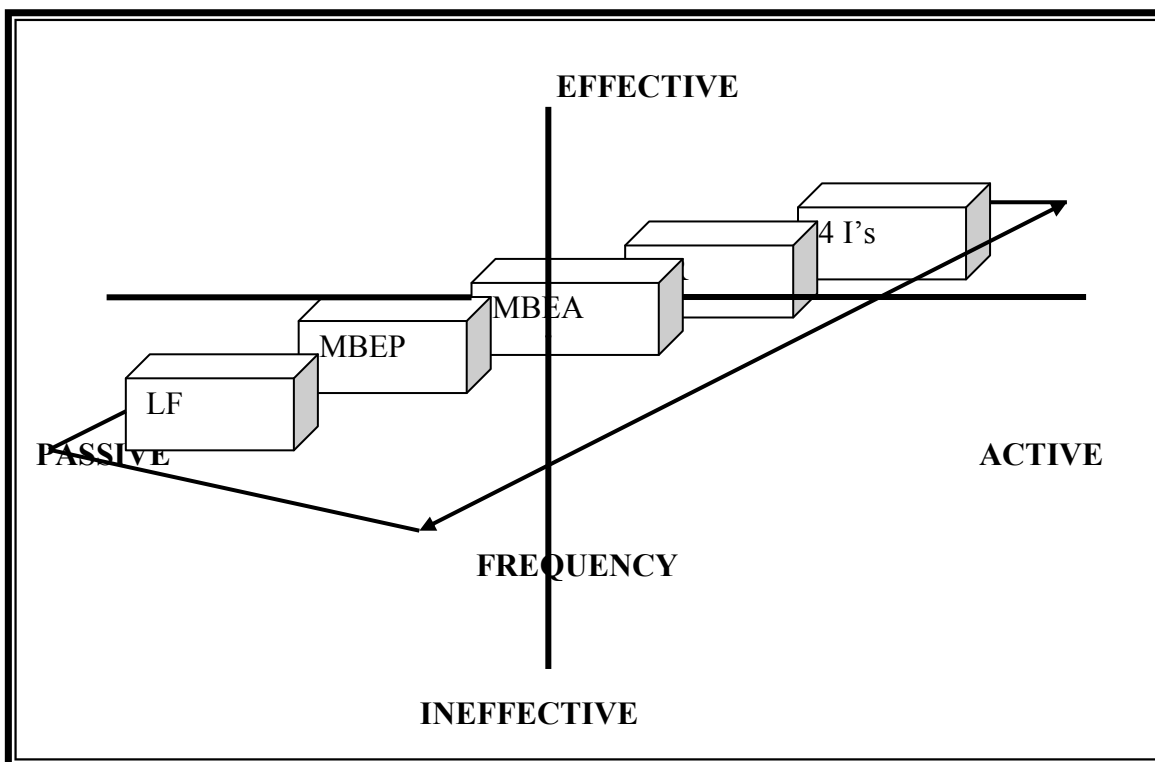
### **3. Research In Transformational Leadership And Its Relations To Performance Outcomes**

Transformational leadership had been used to investigate leadership behaviour across a wide variety of many organisations for example in a business institution (e.g. Carless, Mann, and Wearing, 1996), military or law enforcement (e.g. Atwater and Yammarino, 1993; Densten, 1999; Singer and Singer, 1990), informational technology (Thite, 1999; Sosik, 1997), educational setting (e.g. Ingram, 1997), and health care industry (Medley and Larochelle, 1995; Pillai, 1995). In addition, the theory is not only widely used in the U.S. but also had been employed in several countries such as Australia (e.g. Parry and Sarros, 1996; Carless, 1998), New Zealand (e.g. Singer and Singer, 1990), the

Netherlands (e.g. Den Hartog et al., 1997), Canada (e.g. Avolio, Howell, and Sosik, 1999), Austria (e.g. Geyer and Steyrer, 1998) and the U.K. (e.g. Coad and Berry, 1998) and translated into over a dozen languages (Bass and Avolio, 1997). In evaluating leadership performance, Bass and Avolio (1997) also proposed the three leadership outcomes that showed how transformational, transactional, and non-leadership related to the success and performance of the target leaders. The three leadership outcomes are presented below:

1. **Extra Effort** reflected the extent to which the “rater” exerted effort beyond the ordinary as result of the leadership behaviour.
2. **Effectiveness** reflected how effective the “rater” perceived the target leader to be at different levels of the organisation.
3. **Satisfaction** reflected how satisfied the “rater” was with the target leader’ methods and styles and how satisfied he/she was in general with the leader.

Transformational and transactional leadership had different effects on followers’ performance. In an analysis of 14 independent empirical studies, Bass and Avolio (1997) found the correlations among the transformational, transactional and non-leadership components’ scores and the three leadership outcomes and results that generally confirmed the predictions of “The Full Range of Leadership Development Model” (Bass and Avolio, 1997: see “The Full Range of Leadership Model” in Figure 1).



**Figure 1:** “The Full Range of Leadership Development Model” Source: Bass, B. M. and Avolio, B. J. (1997) Full range leadership development: Manual for the multifactor leadership questionnaire, CA: Mind Garden. Copyright © 1995 by Bernard M. Bass and Bruce J. Avolio.

Figure 1 shows the factors in the leadership model on two dimensions: active-passive, and effective and ineffective. The style of leadership displayed by any particular leader depended on the frequency of occurrence of performance of behaviours indicating the four

leadership behaviours. The active and passive dimensions helped to clarify the leadership styles: the four I's (idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration) and CR (contingent reward) were active leadership styles, the MBE-A (active management-by-exception) somewhat in between, and the MBE-P (passive management-by-exception) and LF (laissez-faire) were passive leadership styles. The last dimension (effectiveness) broadly represented the relationships between the leadership styles and performance or the leadership outcomes (extra effort, effectiveness, and satisfaction).

According to Bass and Avolio (1997), transformational leadership behaviour was on average more highly positively correlated with the three leadership outcomes when compared with contingent reward, management-by-exception, and laissez-faire leadership. This could be because the transformational principle was more concerned with the development of shared values, beliefs and commitments among leaders and followers (Ingram, 1997); thus transformational leaders might be able to help their followers collectively maximize performance (Howell and Avolio, 1993). Transactional leadership based on contingent reward was generally viewed as being positively linked to the leadership outcomes. This relationship was based on the assumption that "by clarifying what the leader wants and then rewarding the appropriate behaviours, the leader directs followers to the performance level he or she desires" (Howell and Avolio, 1993, p. 892).

Previous studies had showed that contingent reward leadership behaviour was positively related to followers effectiveness, satisfaction, or extra effort (e.g. Parry and Sarros, 1996; Comer et al., 1995; Singer and Singer, 1990; Geyer and Steyrer, 1998) although in some circumstances the relationship was negative (e.g. Howell and Avolio, 1993) or no relationship (e.g. Coad and Berry, 1998). For management-by-exception, this style of leadership generally had no or little relationships with the leadership outcomes when the leaders displayed active management-by-exception behaviour (Thite, 1999; Coad and Berry, 1998; Comer et al., 1995); or had a negative relationship when the leaders passively waited for problems to arise before taking any necessary actions (Singer and Singer, 1990; Howell and Avolio, 1993; Parry and Sarros, 1996; Geyer and Steyrer, 1998). For non-leadership, laissez-faire, leadership had been found consistently to be negative correlated with all of the measures of outcomes among followers (Bass and Avolio, 1997).

The results of several previous studies appeared to support the assumption of "The Full Range of Leadership Development Model" by indicating that leaders who exhibited transformational leadership were generally more frequently to be seen by their subordinates as effective leaders than were those who showed transactional or non-leadership behaviours. For example, Ingram (1997) using the MLQ with 44 teachers who worked in public K-12 schools to identify their principals' leadership styles found that principals who were perceived to exhibit highly transformational behaviour had a greater positive effects on teachers' motivation to exert extra effort than principals who were perceived to exhibit highly transactional leadership.

In addition, a study of the relationship between the leadership style of head nurses and the job satisfaction of 122 staff nurses by Medley and Laroche (1995) discovered that the head nurses who exhibited transformational were more likely to have higher staff nurses' satisfaction than the head nurses who displayed transactional leadership. Similar results were obtained by the study of Singer and Singer (1990) which in an investigation of the relationship between the leadership styles and satisfaction in police force in New Zealand and employees in Taiwan organisations, demonstrated that the subordinates' satisfaction scores had higher correlations with the rating of transformational than transactional leadership behaviour. Comer et al. (1995) who studied 61 salesmen and saleswomen on the leadership styles of 31 female sales managers indicated that the four transformational

components were generally greater positively correlated to the satisfaction measure than the transactional components in both samples. Geyer and Steyrer (1998) reported similar results when they used the MLQ to examine the relationship between transformational and transactional leadership and performance with 1456 subordinates of branch managers in 20 different Austrian banks. Again, Sosik (1997) obtained similar findings when investigating 36 undergraduate student work groups. The findings indicated that the groups working under high levels of transformational leadership reported higher levels of perceived performance, extra effort, and satisfaction with the leader than did groups working under low levels of transformational leadership. Further support was provided by Hult, Ferrell, and Schul (1998), in examining the effects of the leadership styles on the satisfaction of the users of strategic business units (SBUs), when the results suggested that the transformational components appeared to be more important than the transactional components in achieving a high degree of user's satisfaction. Based on the above results, the research seemed to support the fundamental point of "The Full Range of Leadership Development Model" that transactional leadership skill was necessary for effective leaders to achieve an acceptable standard of work but transformational leadership induced followers to work harder, enhanced followers' effectiveness, and increased satisfaction among followers (Bass and Avolio, 1997).

#### **4. Transformational Leadership: Cultural Universal or Cultural Specific**

There were a limited number of studies examining the relationship between culture and transformational leadership theory (Dorfman, 1996). Many of those, however, were conceptual investigations (e.g. Jung et al., 1995; Dorfman, 1996; Bass, 1997b). Jung et al. (1995) reviewed the conceptual linkage between transformational leadership and collectivistic cultures and proposed that several characteristics of collectivistic cultures enhanced more easily for the emergence of transformational leadership than in individualistic cultures. According to Jung et al. (1995), followers in collectivistic cultures were naturally group-oriented and had a high level of loyalty based on mutual agreement between followers and leaders. Therefore, an idealized influence leader might be effectively transmitting a mutual belief in a common purpose or vision into followers' values in such a culture. In addition, followers in collectivistic cultures were more easily motivated by leaders' inspirational behaviour since followers shared mutual interests and a sense of a common fate with their organisations and thus were willing to put in a high level of extra effort on behalf of the organisations. Collectivistic followers also tended to have long-term oriented commitment and involvement in continuous learning activities so transformational leaders' intellectual stimulation could be more easily accepted in the organisations.

Finally, a strong linkage between transformational leadership and collectivistic cultures was the relationships between leaders' individualized consideration and followers' collectivism. Jung et al. (1995) pointed out that leaders' individualized consideration was more easily facilitated in collectivistic than in individualistic cultures because the relationships between leaders and followers in collectivistic societies tended to be based on a high level of paternalism. Therefore, leaders in these societies were likely to focus on individual needs of their subordinates. On the other hand, in a review of the influence of culture on several leadership theories, Dorfman (1996) stated that "Proponents of charismatic and transformational theories seem to come close to adopting a universalist position regarding cross-cultural transferability" (p. 297). Dorfman believed that the basic behaviours engaged in transformational leadership, such as inspiration, motivation, individual consideration and intellectual challenge, were seen as a "core function" of outstanding leaders that should be similar around the world. Nonetheless, Dorfman also acknowledged that it was difficult, at the present time, to specifically identify the nature of the relationships between cultures and transformational leadership since there was a lack empirical evidence provided by cross-cultural researchers on this issue.

Bass (1997b) is another leadership scholar who believed that transformational leadership behaviour should travel well across countries or cultures by arguing that “whatever the country, when people think about leadership, their prototypes and ideals are transformational” (p. 135). Bass (1997b) argued the universality of the transformational leadership paradigm based on the fact that there was a similar hierarchy of correlations between the various leadership behaviours in transformational leadership theory and leadership outcomes in many different countries. In fact, according to Bass (1997b), leaders who practiced transformational leadership were more effective than those who displayed transactional or non-leadership behaviours, regardless of cultures, countries and organisations. This hierarchy of relationships seemed to be supported by the results of transformational leadership studies conducted in several countries or organisations. For example, in the United States, Sosik (1997) found that groups of subordinates working under a leader who practiced high transformational leadership reported higher levels of performance, extra effort, and satisfaction than groups working under a low transformational leader.

A similar pattern of results also found in number of other countries such as the U.K. (Coad and Berry, 1998), Austria (Geyer and Steyrer, 1998), Canada (Howell and Avolio, 1993), and Australia (Adamson, 1996). Furthermore, the correlational hierarchy was also found to apply in a variety of organisations such as in the military (Atwater and Yammarino, 1993), health (Medley and Larochelle, 1995), and informational technology organisations (Thite, 1999). Data even came from the study of leaders at different levels such as in sample of teachers (Ingram, 1997), middle managers (Carless et al., 1996), and executive leaders (Church and Waclawski, 1998).

In addition, Bass (1997b) proposed that the ability of transformational leadership to adapt to a variety of forms also enhanced the argument for transformational leadership being a “culture free” theory. In this case, as several studies indicated, a directive leadership style could perform better in one culture while in another cultural environment a participative style might be preferred (e.g. Dorfman et al., 1997; Campbell et al., 1993; Schermerhorn and Bond, 1997), Bass and Avolio (1993; Bass, 1997b) argued that transformational leadership could be either directive or participative depended on situational and personal conditions. According to Bass and Avolio (1993), leaders could be intellectually stimulating to their followers when they authoritatively directed their followers’ attention to a deeper understanding of the assumptions behind their leaders’ thinking. Transformational leaders also could demonstrate participative and directive leadership by sharing their visions and ideas with their followers. Table 2 presents the statements that showing transformational and transactional leadership can be either directive or participative.

**Table 2 Formulaic illustrations of participative and directive leadership that are transactional and transformational.**

Leadership behaviour	Participative	Directive
Laissez-Faire	“Whatever you think is the correct choice is OK with me.”	“If my followers need answers to questions, let them find the answers themselves.”
Management-by-exception	“Let’s develop the rules together that we will use to identify mistakes.”	“These are the rules and this is how you have violated them.”
Contingent reward	“Let’s agree on what has to be done and how you will be rewarded if you achieve the objectives.”	“If you achieve the objectives I’ve set, I will recognize your accomplishment with the following reward.”
Individualized consideration	“What can we do as a group to give each other the necessary support to develop our capabilities.”	“I will provide the support you need in your efforts to develop yourself in the job.”
Intellectual stimulation	“Can we try to look at our assumptions as a group without being critical of each other’s ideas until all assumptions have been listed?”	“You must reexamine the assumption that a cold fusion engine is a physical impossibility. Revisit this problem and question your assumption.”
Inspirational motivation	“let’s work together to merge our aspirations and goals for the good of our group.”	“You need to say to yourself that every day you are getting better. You must look at your progress and continue to build upon it over time.”
Idealized Influence	“We can be a winning team because of our faith in each other. I need your support to achieve our mission.”	“ <i>Alea icta est</i> ” (i.e. “I’ve made the decision to cross the Rubicon, so there’s no going back.” “You must trust me and my direction to achieve what we have set out to do.”

**Source:** Bass, B. M. and Avolio, B. J. (1993) ‘Transformational leadership: A response to critiques’, M. M. Chemers and R. Ayman (eds.), *Leadership theory and research: Perspectives and directions*, San Diego, CA, Academic Press, 49-80.

Bass (1997b) maintained that universal in his meaning was a universally applicable conceptualization. That was, although the concept of transformational leadership appeared to be universally valid, the specific behaviours associated with each leadership factor might vary to some extent, particularly from one country to another. As noted by Bass (1997b), “Variations occur because the same concepts may contain specific thought processes, beliefs, implicit understanding, or behaviours in one culture but not another” (p. 132). For example;

*“In Indonesia, inspirational leaders boast about their own competence to create pride and respect in themselves. In so doing, such transformational leaders aim to reduce subordinates’ feelings of fear and shame. But if would be*

*unseemly for leaders to be so boastful in Japan” (Bass, 1997b, p. 136).*

Parry and Sarros' (1996) study seemed to support this proposition when they found that Australian subordinates perceived their leaders to be more effective than American leaders when the leaders displayed idealized influence and individual consideration while American leaders were perceived as more effective than Australian leaders when they exhibited management-by-exception.

Some scholars suggested that the discussion of culture-universal and culture-specific could be explained in terms of different types of universals (e.g. Den Hartog, House, Hanges, Ruiz-Quintanilla, and Dorfman, 1999; Bass, 1997b). The first type of universal was a *simple universal* that referred to a phenomenon that was seen similarly by people around the world. It was the most simple and a general type to describe “one thing” similarly across cultures. The second type was a *variform universal* that defined a general or principle aspect that could be held across cultures, but the specific components of this principle could vary across cultures. The third type was a *functional universal* that concerned the constancy of relationships between variables across different cultures. A *systematic behavioural universal* was the final type which was a concept of relationships that explained “if-then” outcomes across cultures.

Considering the universality of transformational leadership and incorporating the different types of universals, transformational leadership tended to be consistent with the simple universal because the attributes of transformational leadership were seen as contributing to outstanding leadership worldwide (Den Hartog et al., 1999). Regarding the variform universal, it was implied that the principle concept of transformational leadership should be “culture-free” (Dorfman, 1996; Bass, 1997b) but the specific behaviours representing transformational leadership might differ across cultures (Jung et al., 1995; Bass, 1997b). In addition, the correlations between laissez-faire and leadership outcomes represented the functional type of universal (Bass, 1997b). That was, leaders who exhibited non-leadership behaviour were perceived constantly to be ineffective and dissatisfying by their followers across cultures or countries. For the systematic behavioural universal, Bass maintained that the “Full Range of Leadership Model” seemed to represent this form of universal. This was because, the same pattern of results can be expected when examining the relationships between leadership factors and leadership outcomes, regardless of cultures.

A large study by Den Hartog et al. (1999) seemed to provide empirical evidence supporting the universality of transformational leadership. Their study tested the simple and variform universal of transformational leadership by hypothesizing that charismatic/transformational leadership attributes should be universally endorsed as contributors to outstanding leadership. This hypothesis was tested in 62 cultures as part of the GLOBE research program. The results of the study, supporting the hypothesis, revealed that specific aspects of charismatic/transformational leadership were strongly and universally endorsed across cultures. In other words, the charismatic/transformational leadership dimension was prototypical of outstanding leadership in all cultures.

In summary, the Full Range of Leadership Development Model indicated that an effective leader generally infrequently displayed laissez-faire leadership and increased the frequencies of the transactional leadership behaviour of management-by-exception (passive), management-by-exception (active), and contingent reward, but the most frequently displayed leadership style by the effective leader was the transformational leadership behaviour. It is possible to say that the nature of relationships between cultures and transformational leadership is still unclear because of the limited numbers of studies conducted to examine these relationships. However, it seemed that, based on the

evidence given above, transformational leadership theory tended to consist of several types of universals. Therefore, the principle concept of transformational leadership tended to be desired by followers around the world although the specific behaviours might vary from one to another cultures.

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