



Institute for National Transformation

Lecture 13

Transformational and Transactional Leadership Models

To develop value-grounded, no-excuse leaders that will transform their organizations, communities and nations to greater levels of performance and achievement



Learning Objective

To understand the transactional and transformational leadership models and the differences between the two



Best Leadership Experience

*Who is the best leader you
have had in life and why
do you rate them as
such?*



Bad Leadership Experience

Tell us about your other leaders that you didn't rate so highly and why that was the case?



Reflection Question

“The bottom-line in leadership isn’t how far you advance yourself, but how far you advance others”, John C Maxwell

You might have been a high achiever in your past leadership roles , but how better are the people that have gone through your hands because of you?



DISCUSS

What do you think is the most critical factor for the success of an organization?

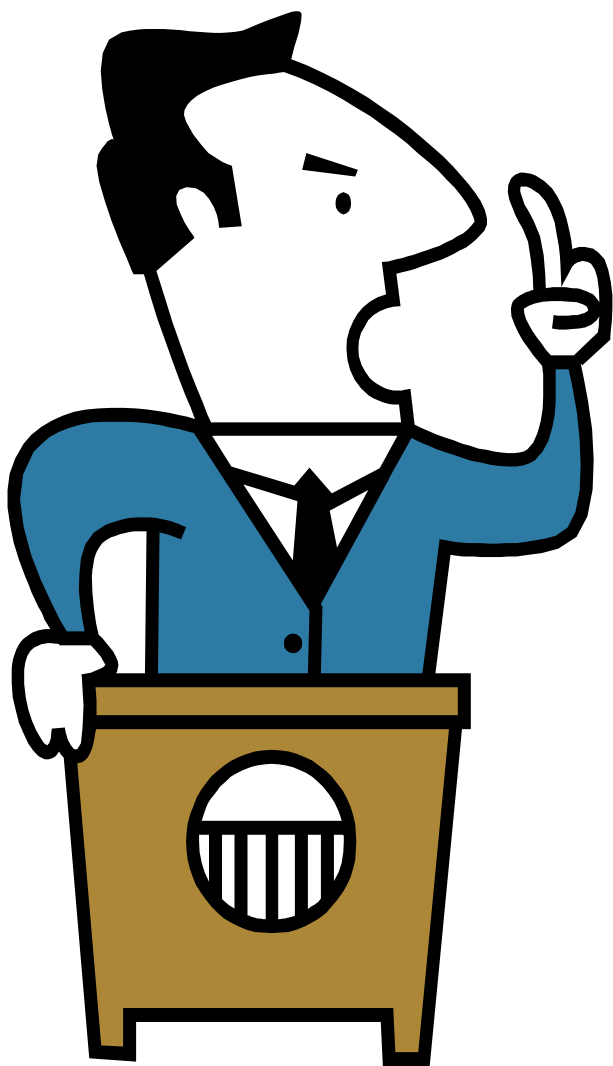
The success of an organization depends to a large extent on the effective leadership and management ability of its leader

James MacGregor Burns



- Advanced two leadership concepts: **Transformational Leadership** and **Transactional Leadership**
- He identified two other broader categories of leaders - **amoral and moral leaders**

Amoral Leaders



- "Power wielders" in Burns' opinion, and were primarily interested in satisfying their own needs, regardless if this need satisfied those being led
- Burns scorned such rulers, and did little to build any association between them and what he viewed as real leaders



TRANSACTIONAL LEADERS



- A relationship between two people is based on the level of exchange they have
- A relationship dependant on what one gets in return is called a ‘Transactional’ type
- Leaders who show these kind of relationship are called ‘*Transactional Leaders*’.

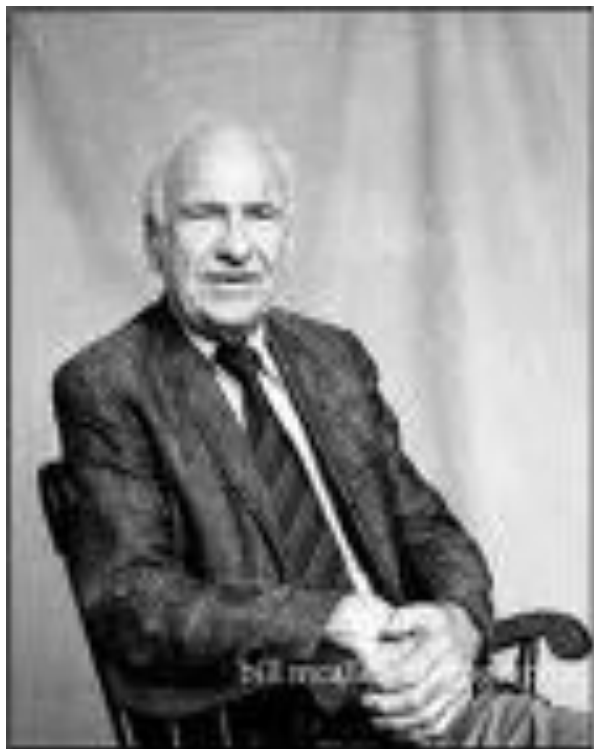


TRANSACTIONAL LEADERSHIP

- Defined as the influence of a leader toward his subordinates using reward and punishment as a form of motivational medium
- Based on the concept that a leader has to give something to his followers in exchange for performing certain tasks
- Otherwise, the leader provides his subordinate less future opportunity and incentive or may use a demotion as a form of punishment for not projecting a good performance



James MacGregor Burns



- Transactional leadership is often based on a "give and take" relationship,
 - does not lead to ***change in the perceptions and values***, and expectations and aspirations of the people.
 - The choice of such leaders has little to do with their personality traits and ability to make a change through vision and goals



QUOTES ON TRANSACTIONAL LEADERSHIP

- *“recognizes and exploits an existing need or demand of a potential follower... (and) looks for potential motives in followers, seeks to satisfy higher needs, and engages the full person of the follower” ...Burns*
- *approaches followers with an eye to exchanging one thing for another ... Burns*
- *pursues a cost benefit, economic exchange to meet subordinates current material and psychic needs in return for “contracted” services rendered by the subordinate Bass*



TRANSFORMATIONAL LEADERSHIP



- In life, at one point of time, things happen without expectation from other side. Say, mom's dedicated service to her child.
- This type of relation is called 'Transformational'. Leaders do exist in this world with these behaviors
- Transformational Leaders work toward a common goal with followers; put followers in front and develop them



Transformational leadership

An approach to leadership that creates **valuable and positive change in the followers.**

- Transformational leaders focus on "transforming" others to help them to look out for each other, to be encouraging and harmonious, and to look out for the organization, community, or nation as a whole.
- This leadership style enhances the motivation, morale and performance of his follower group(s).



Quotes on Transformational Leadership

- *The Transformational leader recognizes the transactional needs in potential followers “but tends to go further, seeking to arouse and satisfy higher needs, to engage the full person of the follower ... to a higher level of need according to Maslow’s hierarchy of needs” ... Bass*



Level 5 Leaders focus on Engagement & Development

Three levels of
engaging and
developing others



Determine who will join
you on your journey



Develop an environment
in which they can
engage and succeed



Foster the growth of
the people



Transactional vs Transformational

<p>1. Aware of the link between the effort and reward</p>	<p>1. Motivate followers to act beyond the framework of exchange or transaction</p>
<p>2. Responsive and its basic orientation is dealing with present issues</p>	<p>2. Proactive and forms new expectations in followers</p>
<p>3. Relies on standard forms of inducement, reward, punishment and sanction to control followers</p>	<p>3. Distinguished by capacity to inspire and provide individualized consideration, intellectual stimulation and idealized influence to their followers</p>



Transactional vs Transformational

4. Motivate followers by setting goals and promising rewards for desired performance	4. Create learning opportunities for their followers and stimulate followers to solve problems
5. Depend on the leader's power to reinforce subordinates for their successful completion of the bargain	5. Possess good visioning, rhetorical and management skills, to develop strong emotional bonds with followers
6. Motivate followers around goals that appeal to their self-interest	6. Motivate followers to work for goals that go beyond self-interest.



Summary of The Two Sides of Level 5 Leadership

Professional Will	Personal Humility
1. Creates superb results, a clear catalyst in the transition from good-to-great.	Demonstrates a compelling modesty, shunning public adulation, never boastful.
2. Demonstrates an unwavering resolve to whatever must be done to produce the best long-term results, no matter how difficult.	Acts with quiet, calm determination, relies principally on inspired standards, not inspiring charisma, to motivate.



Summary of The Two Sides of Level 5 Leadership

Professional Will

3. Sets the standard of building an enduring great organization, will not settle for nothing less.

4. Looks in the mirror, not outside the window, to apportion responsibility for poor results, never blaming other people, external factors, or bad luck.

Personal Humility

Channels ambition into the organization, not the self; sets up successors for even greater success in the next generation.

Looks out the window, not in the mirror, to apportion credit for the success of the organization - to other people, external factors, and good luck.



Summary of The Two Sides of Egotistical “Level 4” Leadership

Lacks Professional Will	Self-Centered
1. Achieves little to good results, hence no transition from good-to-great organization.	Demonstrates a compelling egotism, seeking public adulation, and always boastful.
2. No unwavering resolve or commitment to whatever must be done to produce the best long-term results, no matter how difficult. “Just see what we can do.”	Acts with loud, over exuberance and lack of focus; relies principally on inspiring charisma and rhetoric to motivate, not inspired standards.

Summary of The Two Sides of Egotistical Level 4 leader

Lacks Professional Will	Self-Centered
<p>3. Sets no standard, lacks strategic skills to build an enduring great organization, settles for less.</p>	<p>Channels ambition into self, not organization; sets up weaker successors to justify his “genius” status leading to failure in the next generation.</p>
<p>4. Looks outside the window, not in the mirror, to apportion responsibility for poor results; hardly taking the blame for failure but point to other people, external factors, or bad luck.</p>	<p>Looks in the mirror, not out the window, to apportion credit for the success of the organization - not quick to give credit to other people, external factors and God.</p>



The Flowering Plant Discipleship Model



How Are Oaks Trees Produced?



The Importance of Seeds

Genesis 1:11

And God said, Let the earth bring forth grass, the herb yielding seed, and the fruit tree yielding fruit after his kind, whose seed is in itself...

Every seed (plants, trees, animals, ...man)
reproducing according to its kind

Two Types of Seeds

1. Seeds from **Non-flowering Plant**
2. Seeds from **Flowering Plant**



Characteristics of Non-Flowering Plants

⑩ Seeds are **born naked**.

Gen 1:11

And God said, Let the earth bring forth grass, the herb yielding seed,





Characteristics of Non-Flowering Plants

⑩ Seeds are **born naked**.

• **Gen 1:11**

• And God said, Let the earth bring forth grass, the herb yielding seed,

⑩ **Survival rate** of the seeds is **very low**- so they bear many seeds;

⑩ Survivability is environmentally restricted- **niche restricted**;

⑩ Depend on **anthropogenic forces** for dispersal of seeds: wind, water, moisture content;



Characteristics of Non-Flowering Plants

- ☞ They produce “soft wood” e.g. pinewood, used to build less expensive homes, furniture,;
- ☞ Some are used to decorate homes as house plants.



Non-Flowering Plants





Characteristics of

Seeds from Flowering Plants

Seeds are borne within the fruits for protection and packaging;

Gen 1:11b

... and the fruit tree yielding fruit after his kind,
whose seed is in itself,



To develo

rganizations.



d achievement.



Characteristics of

Seeds from Flowering Plants

Seeds are borne within the fruits for protection and packaging;

- ⑩ Their seeds adapt to multiple niches/terrain;
- ⑩ Evolved sophisticated means of dispersal;
- ⑩ Produce fewer seeds.



Characteristics of

Seeds from Flowering Plants

They produce “hard wood” e.g. oakwood, used to build most expensive homes, furniture, etc.;

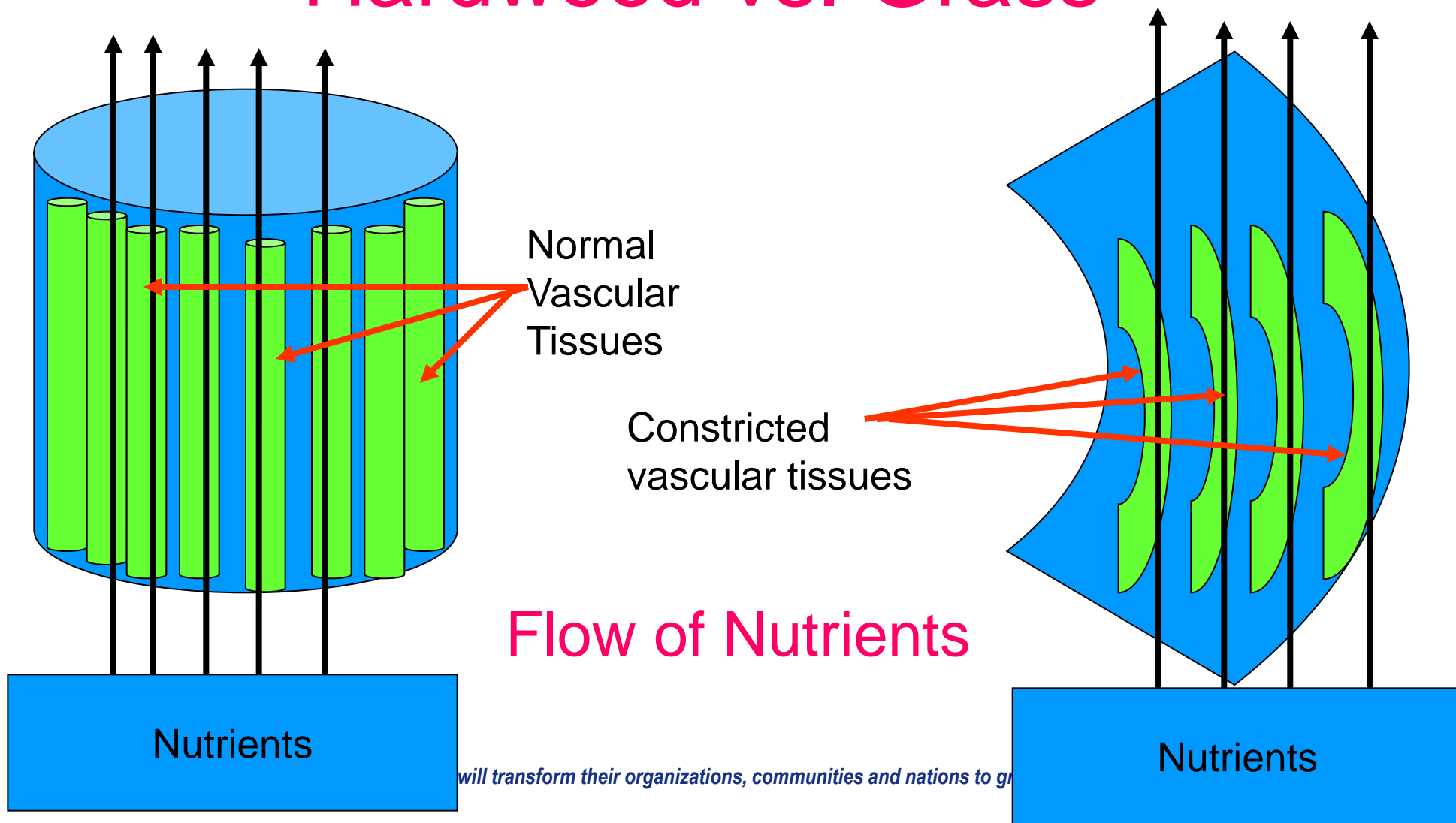
- ⑩ Some become grasses and are used to beautify homes as lawns and house plants.



Characteristics of

Seeds from Flowering Plants

Hardwood vs. Grass





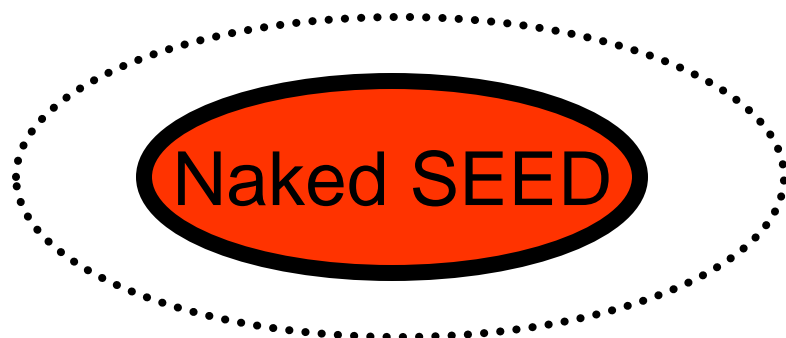
Types of Seeds in Organizations

1. Seeds from Non-flowering
Organizations

2. Seeds from Flowering Organizations

Seeds from Non-flowering Organizations

Seeds are born naked, e.g. no purpose, no skills, no fruit, poor packaging



⑩ Survival rate is very low- so they bear many seeds quickly and scatter them aimlessly to survive by chance - **sink or swim**



Seeds from

Non-flowering Organizations

- ⑩ **Survivability is Environmentally** restricted- niche restricted- they do poorly **away from** headquarters, tribal origin, denominational origin, and geographical boundaries, and other familiar boundaries;
- ⑩ **Depend on anthropogenic forces for dispersal** of seeds: no stimulating self-support or initiative; rely exclusively on much support from headquarters, other people, and outside donor agencies;



Seedless Organizations Designed to Satisfy the Moment





Seeds from a Flowering Organizations

- ⑩ Seeds are borne within the fruits for protection with purpose, skills, fruit, good and attractive packaging; **Dominion minded**



- ⑩ Evolve sophisticated means of dispersing their seeds- take initiative and **implement creative evangelism**



Seeds from a Flowering Organizations

- ⑩ They adopt to multiple niches/terrain:- their encasement can survive different terrains; easily adaptable and versatile;
- ⑩ Produce fewer seeds:- high-investment, purpose driven, carefully laid out leadership development and discipleship program.



DIMENSIONS OF EFFECTIVE LEADERSHIP

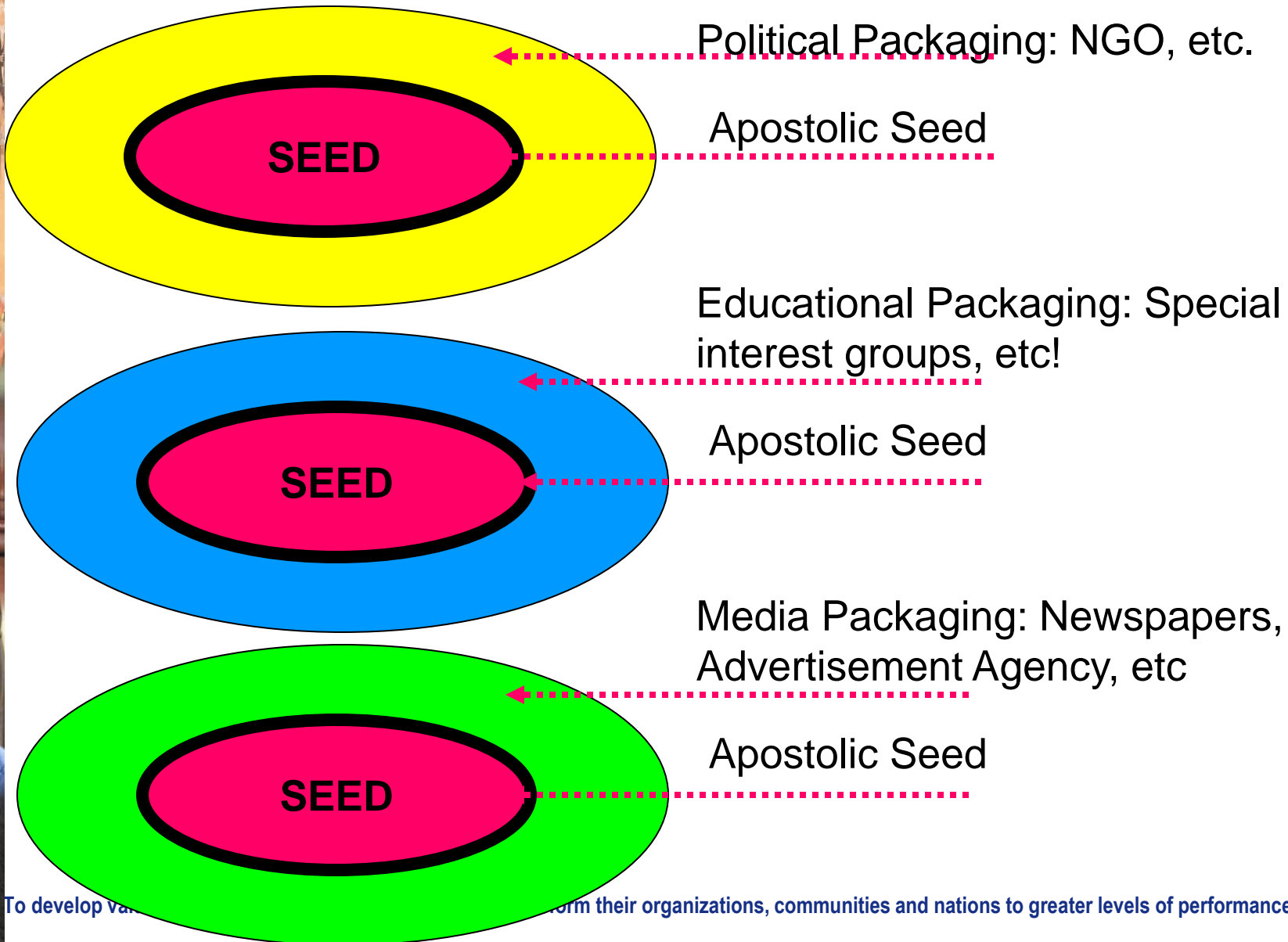
- ⑩ Character
- ⑩ Intellectual skills
- ⑩ Emotional skills
- ⑩ Social skills
- ⑩ Communication skills
- ⑩ Management skills
- ⑩ Financial Management skills
- ⑩ Strategic Planning skills
- ⑩ Eight spheres of influence
- ⑩ Technical skills, etc

Don't Forget:

“Your Leadership skills will be discounted if you don't have character”

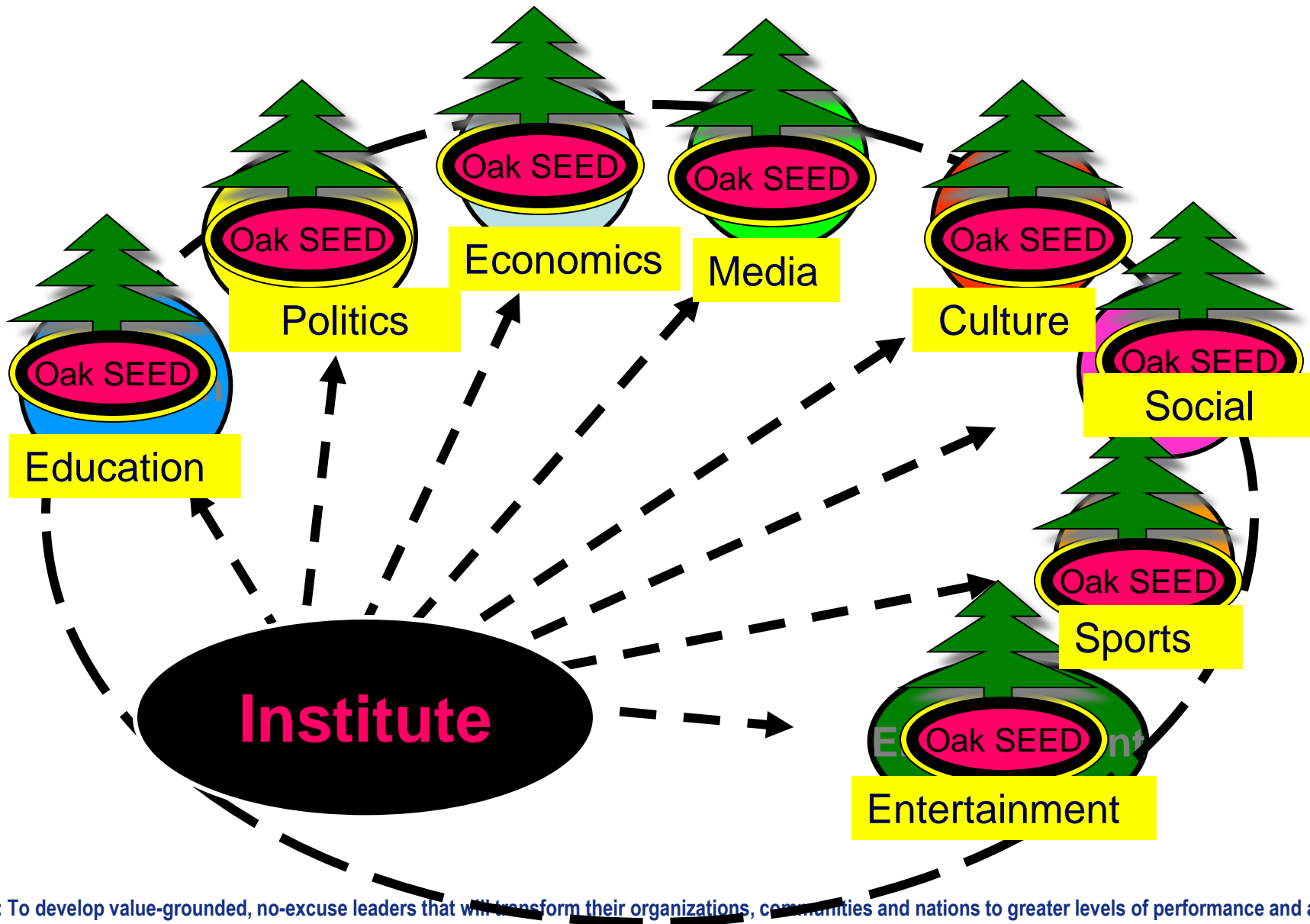


QUALITY PACKAGING OF SEEDS



Quality SEEDS Deployed

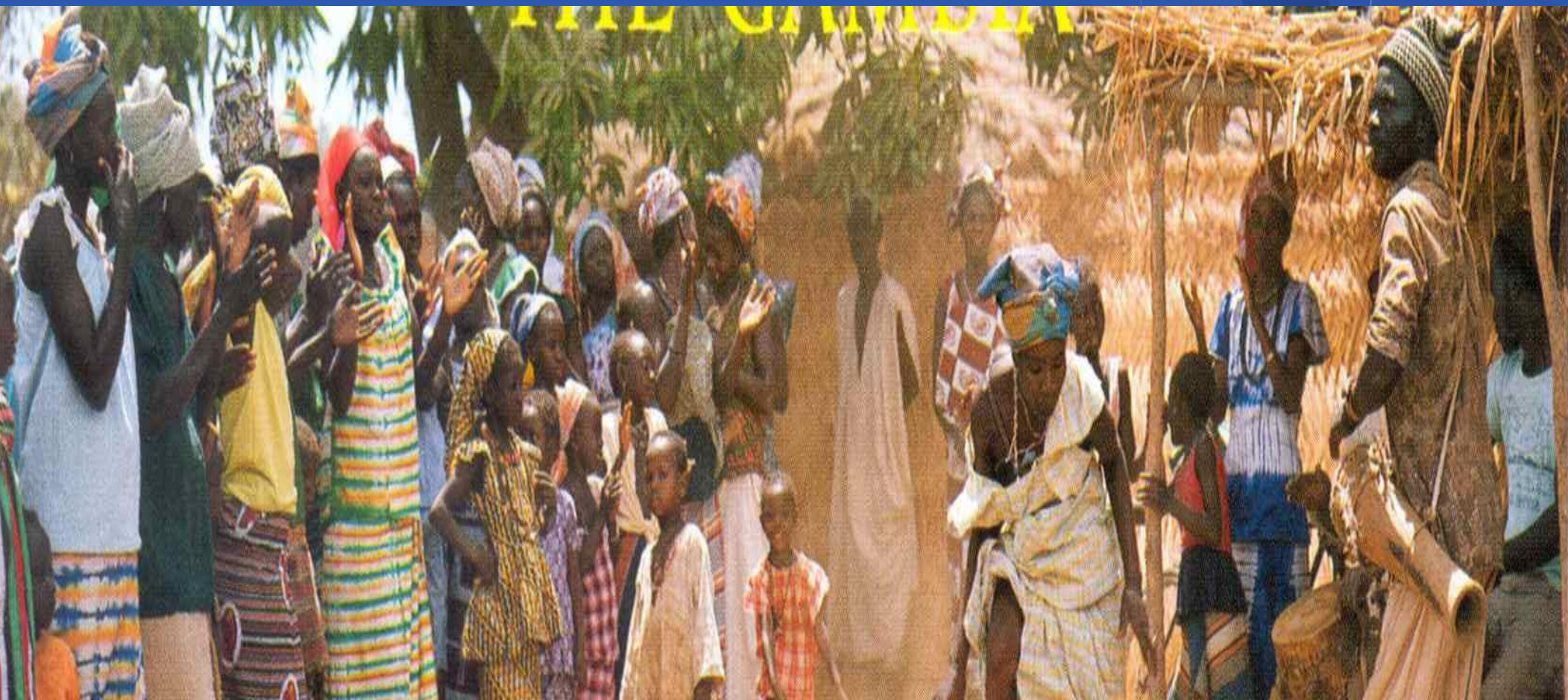
at Different Spheres



A final call

- Any fool can count the number of seeds in an avocado fruit, but no one can count the number of fruits in an avocado seed!
- A transformational leader will focus on the fruits in the seed, while the transactional leader focuses on the fruit.
- Choose: Will you focus on how things, people, nations are, or how they can be?





Proverbs 29:2 When the Godly are in authority,
the people rejoice. **But when the wicked are in
power, they groan.**



Institute for National Transformation

Lecture 13

Transformational and Transactional Leadership Models

To develop value-grounded, no-excuse leaders that will transform their organizations, communities and nations to greater levels of performance and achievement