

- Fiedler, F. E. (1967). *A theory of leadership effectiveness*. New York: McGraw-Hill.
- Fiedler, F. E. (1993). The leadership situation and the black box in contingency theories. In M. M. Chemers & R. Ayman (Eds.), *Leadership, theory, and research: Perspectives and directions* (pp. 1-28). New York: Academic Press.
- Fiedler, F. E. (1995). Reflections by an accidental theorist. *Leadership Quarterly*, 6(4), 453-461.
- Fiedler, F. E., & Chemers, M. M. (1974). *Leadership and effective management*. Glenview, IL: Scott, Foresman.
- Fiedler, F. E., & Chemers, M. M. (1984). *Improving leadership effectiveness: The leader match concept* (2nd ed.). New York: Wiley.
- Fiedler, F. E., & Garcia, J. E. (1987). *New approaches to leadership: Cognitive resources and organizational performance*. New York: Wiley.
- Peters, L. H., Hartke, D. D., & Pohlman, J. T. (1985). Fiedler's contingency theory of leadership: An application of the meta-analysis procedures of Schmidt and Hunter. *Psychological Bulletin*, 97, 274-285.
- Strube, M. J., & Garcia, J. E. (1981). A meta-analytic investigation of Fiedler's contingency model of leadership effectiveness. *Psychological Bulletin*, 90, 307-321.



Path-Goal Theory

DESCRIPTION

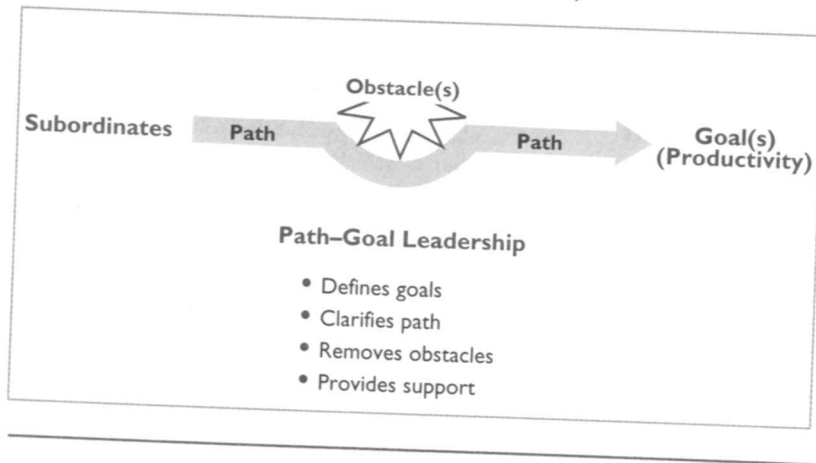
Path-goal theory is about how leaders motivate subordinates to accomplish designated goals. Drawing heavily from research on what motivates employees, path-goal theory first appeared in the leadership literature in the early 1970s in the works of Evans (1970), House (1971), House and Dessler (1974), and House and Mitchell (1974). The stated goal of this leadership theory is to enhance employee performance and employee satisfaction by focusing on employee motivation.

In contrast to the situational approach, which suggests that a leader must adapt to the development level of subordinates (see Chapter 5), and unlike contingency theory, which emphasizes the match between the leader's style and specific situational variables (see Chapter 6), path-goal theory emphasizes the relationship between the leader's style and the characteristics of the subordinates and the work setting. The underlying assumption of path-goal theory is derived from expectancy theory, which suggests that subordinates will be motivated if they think they are capable of performing their work, if they believe their efforts will result in a certain outcome, and if they believe that the payoffs for doing their work are worthwhile.

For the leader, the challenge is to use a leadership style that best meets subordinates' motivational needs. This is done by choosing behaviors that complement or supplement what is missing in the work setting. Leaders try to enhance subordinates' goal attainment by providing information or rewards in the work environment (Indvik, 1986); leaders provide subordinates with the elements they think subordinates need to reach their goals.

According to House and Mitchell (1974), leadership generates motivation when it increases the number and kinds of payoffs that subordinates receive from their work. Leadership also motivates when it makes the path to the goal clear and easy to travel through coaching and direction, removing obstacles and roadblocks to attaining the goal, and making the work itself more personally satisfying (Figure 7.1).

Figure 7.1 The Basic Idea Behind Path–Goal Theory

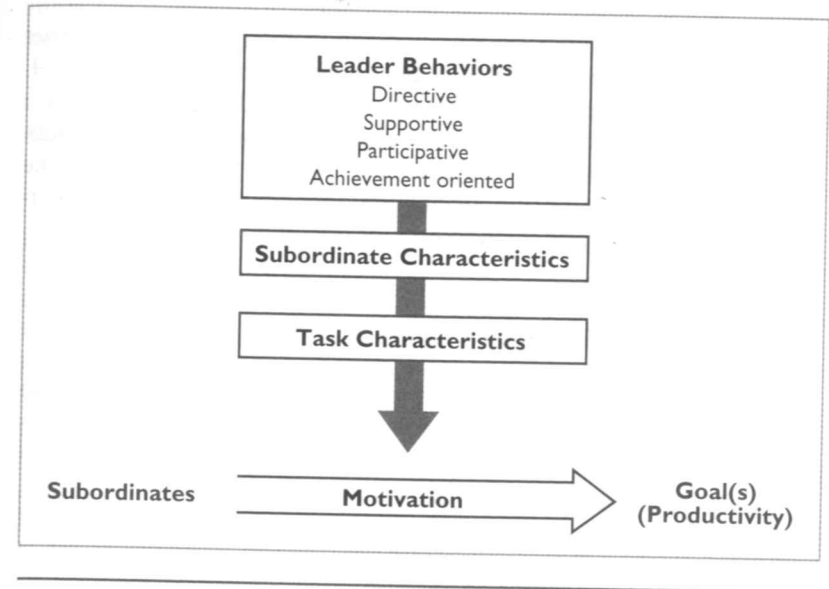


In brief, path–goal theory is designed to explain how leaders can help subordinates along the path to their goals by selecting specific behaviors that are best suited to subordinates' needs and to the situation in which subordinates are working. By choosing the appropriate style, leaders increase subordinates' expectations for success and satisfaction.

Conceptually, path–goal theory is complex. It is useful to break it down into smaller units so we can better understand the complexities of this approach.

Figure 7.2 illustrates the different components of path–goal theory, including leader behaviors, subordinate characteristics, task characteristics, and motivation. Path–goal theory suggests that each type of leader behavior has a different kind of impact on subordinates' motivation. Whether a particular leader behavior is motivating to subordinates is contingent on the subordinates' characteristics and the characteristics of the task.

Figure 7.2 Major Components of Path–Goal Theory



Leader Behaviors

Although many different leadership behaviors could have been selected to be a part of path–goal theory, this approach has so far examined *directive*, *supportive*, *participative*, and *achievement-oriented* leadership behaviors (House & Mitchell, 1974, p. 83). Path–goal theory is explicitly left open to the inclusion of other variables.

Directive Leadership

Directive leadership is similar to the “initiating structure” concept described in the Ohio State studies (Halpin & Winer, 1957) and the “telling” style described in situational leadership. It characterizes a leader who gives subordinates instructions about their task, including what is expected of them, how it is to be done, and the time line for when it should be completed. A directive leader sets clear standards of performance and makes the rules and regulations clear to subordinates.

Supportive Leadership

Supportive leadership resembles the consideration behavior construct that was identified by the Ohio State studies discussed in Chapter 4. Supportive leadership consists of being friendly and approachable as a leader and includes attending to the well-being and human needs of subordinates. Leaders using supportive behaviors go out of their way to make work pleasant for subordinates. In addition, supportive leaders treat subordinates as equals and give them respect for their status.

Participative Leadership

Participative leadership consists of inviting subordinates to share in the decision making. A participative leader consults with subordinates, obtains their ideas and opinions, and integrates their suggestions into the decisions about how the group or organization will proceed.

Achievement-Oriented Leadership

Achievement-oriented leadership is characterized by a leader who challenges subordinates to perform work at the highest level possible. This leader establishes a high standard of excellence for subordinates and seeks continuous improvement. In addition to expecting a lot from subordinates, achievement-oriented leaders show a high degree of confidence that subordinates are capable of establishing and accomplishing challenging goals.

House and Mitchell (1974) suggested that leaders might exhibit any or all of these four styles with various subordinates and in different situations. Path-goal theory is not a trait approach that locks leaders into only one kind of leadership. Leaders should adapt their styles to the situation or to the motivational needs of their subordinates. For example, if subordinates need participative leadership at one point in a task and directive leadership at another, the leader can change her or his style as needed. Different situations may call for different types of leadership behavior. Furthermore, there may be instances when it is appropriate for a leader to use more than one style at the same time.

In addition to leader behaviors, Figure 7.2 illustrates two other major components of path-goal theory: subordinate characteristics and task characteristics. Each of these two sets of characteristics influences the way

leaders' behaviors affect subordinate motivation. In other words, the impact of leadership is *contingent* on the characteristics of both subordinates and their task.

Subordinate Characteristics

Subordinate characteristics determine how a leader's behavior is interpreted by subordinates in a given work context. Researchers have focused on subordinates' *needs for affiliation*, *preferences for structure*, *desires for control*, and *self-perceived level of task ability*. These characteristics and many others determine the degree to which subordinates find the behavior of a leader an immediate source of satisfaction or instrumental to some future satisfaction.

Path-goal theory predicts that subordinates who have strong *needs for affiliation* prefer supportive leadership because friendly and concerned leadership is a source of satisfaction. For subordinates who are dogmatic and authoritarian and have to work in uncertain situations, path-goal theory suggests directive leadership because that provides psychological *structure* and task clarity. Directive leadership helps these subordinates by clarifying the path to the goal, making it less ambiguous. The authoritarian type of subordinate feels more comfortable when the leader provides a greater sense of certainty in the work setting.

Subordinates' *desires for control* have received special attention in path-goal research through studies of a personality construct locus of control that can be subdivided into internal and external dimensions. Subordinates with an *internal locus of control* believe that they are in charge of the events that occur in their life, whereas those with an *external locus of control* believe that chance, fate, or outside forces determine life events. Path-goal theory suggests that for subordinates with an internal locus of control participative leadership is most satisfying because it allows them to feel in charge of their work and to be an integral part of decision making. For subordinates with an external locus of control, path-goal theory suggests that directive leadership is best because it parallels subordinates' feelings that outside forces control their circumstances.

Another way in which leadership affects subordinates' motivation is the *subordinates' perception of their own ability* to perform a specific task. As subordinates' perception of their own abilities and competence goes up, the need for directive leadership goes down. In effect, directive leadership

becomes redundant and perhaps excessively controlling when subordinates feel competent to complete their own work.

Task Characteristics

In addition to subordinate characteristics, task characteristics also have a major impact on the way a leader's behavior influences subordinates' motivation (see Figure 7.2). Task characteristics include the design of the *subordinate's task*, the *formal authority system* of the organization, and the *primary work group* of subordinates. Collectively, these characteristics in themselves can provide motivation for subordinates. When a situation provides a clearly structured task, strong group norms, and an established authority system, subordinates will find the paths to desired goals apparent and will not need a leader to clarify goals or coach them in how to reach these goals. Subordinates will feel as if they can accomplish their work and that their work is of value. Leadership in these types of contexts could be seen as unnecessary, unempathic, and excessively controlling.

In some situations, however, the *task characteristics* may call for leadership involvement. Tasks that are unclear and ambiguous call for leadership input that provides structure. In addition, highly repetitive tasks call for leadership that gives support in order to maintain subordinates' motivation. In work settings where the *formal authority system* is weak, leadership becomes a tool that helps subordinates by making the rules and work requirements clear. In contexts where the *group norms* are weak or non-supportive, leadership assists in building cohesiveness and role responsibility.

A special focus of path-goal theory is helping subordinates overcome obstacles. Obstacles could be just about anything in the work setting that gets in the way of subordinates. Specifically, obstacles create excessive uncertainties, frustrations, or threats for subordinates. In these settings, path-goal theory suggests that it is the leader's responsibility to help subordinates by removing these obstacles or helping them around them. Helping subordinates around these obstacles will increase subordinates' expectations that they can complete the task and increase their sense of job satisfaction.

In 1996, House published a reformulated path-goal theory that extends his original work to include eight classes of leadership behaviors. Besides the four leadership behaviors discussed previously in this chapter—(a) directive, (b) supportive, (c) participative, and (d) achievement-oriented behavior—the new theory adds (e) work facilitation, (f) group-oriented

decision process, (g) work-group representation and networking, and (h) value-based leadership behavior. The essence of the new theory is the same as the original: To be effective, leaders need to help subordinates by giving them what is missing in their environment and by helping them compensate for deficiencies in their abilities.

HOW DOES PATH-GOAL THEORY WORK?

Path-goal theory is an approach to leadership that is not only theoretically complex, but also pragmatic. In theory, it provides a set of assumptions about how various leadership styles interact with characteristics of subordinates and the work setting to affect the motivation of subordinates. In practice, the theory provides direction about how leaders can help subordinates to accomplish their work in a satisfactory manner. Table 7.1 illustrates how leadership behaviors are related to subordinate and task characteristics in path-goal theory.

Theoretically, the path-goal approach suggests that leaders need to choose a leadership style that best fits the needs of subordinates and the work they are doing. The theory predicts that a directive style of leadership

Table 7.1 Path—Goal Theory: How It Works

Leadership Behavior	Subordinate Characteristics	Task Characteristics
Directive <i>Provides guidance and psychological structure</i>	Dogmatic Authoritarian	Ambiguous Unclear rules Complex
Supportive <i>Provides nurturance</i>	Unsatisfied Need affiliation Need human touch	Repetitive Unchallenging Mundane
Participative <i>Provides involvement</i>	Autonomous Need for control Need for clarity	Ambiguous Unclear Unstructured
Achievement Oriented <i>Provides challenges</i>	High expectations Need to excel	Ambiguous Challenging Complex

is best in situations in which subordinates are dogmatic and authoritarian, the task demands are ambiguous, the organizational rules are unclear, and the task is complex. In these situations, directive leadership complements the work by providing guidance and psychological structure for subordinates (House & Mitchell, 1974, p. 90).

For tasks that are structured, unsatisfying, or frustrating, path-goal theory suggests that leaders should use a supportive style. The supportive style provides what is missing by nurturing subordinates when they are engaged in tasks that are repetitive and unchallenging. Supportive leadership offers a sense of human touch for subordinates engaged in mundane, mechanized activity.

Participative leadership is considered best when a task is ambiguous: Participation gives greater clarity to how certain paths lead to certain goals, and helps subordinates learn what leads to what (House & Mitchell, 1974, p. 92). In addition, participative leadership has a positive impact when subordinates are autonomous and have a strong need for control because this kind of subordinate responds favorably to being involved in decision making and in the structuring of work.

Furthermore, path-goal theory predicts that achievement-oriented leadership is most effective in settings in which subordinates are required to perform ambiguous tasks. In settings such as these, leaders who challenge and set high standards for subordinates raise subordinates' confidence that they have the ability to reach their goals. In effect, achievement-oriented leadership helps subordinates feel that their efforts will result in effective performance. In settings where the task is more structured and less ambiguous, however, achievement-oriented leadership appears to be unrelated to subordinates' expectations about their work efforts.

Pragmatically, path-goal theory is straightforward. An effective leader has to attend to the needs of subordinates. The leader should help subordinates to define their goals and the paths they want to take in reaching those goals. When obstacles arise, the leader needs to help subordinates confront them. This may mean helping the subordinate around the obstacle, or it may mean removing the obstacle. The leader's job is to help subordinates reach their goals by directing, guiding, and coaching them along the way.

STRENGTHS

Path-goal theory has several positive features. First, path-goal theory provides a useful theoretical framework for understanding how various

leadership behaviors affect subordinates' satisfaction and work performance. It was one of the first theories to specify four conceptually distinct varieties of leadership (e.g., directive, supportive, participative, and achievement oriented), expanding the focus of prior research, which dealt exclusively with task- and relationship-oriented behaviors (Jermier, 1996). The path-goal approach was also one of the first situational contingency theories of leadership to explain how task and subordinate characteristics affect the impact of leadership on subordinate performance. The framework provided in path-goal theory informs leaders about how to choose an appropriate leadership style based on the various demands of the task and the type of subordinates being asked to do the task.

A second positive feature of path-goal theory is that it attempts to integrate the motivation principles of expectancy theory into a theory of leadership. This makes path-goal theory unique because no other leadership approach deals directly with motivation in this way. Path-goal theory forces us continually to ask questions such as these about subordinate motivation: How can I motivate subordinates to feel that they have the ability to do the work? How can I help them feel that if they successfully do their work, they will be rewarded? What can I do to improve the payoffs that subordinates expect from their work? Path-goal theory is designed to keep these kinds of questions, which address issues of motivation, at the forefront of the leader's mind.

A third strength, and perhaps its greatest, is that path-goal theory provides a model that in certain ways is very practical. The representation of the model (see Figure 7.1) underscores and highlights the important ways leaders help subordinates. It shouts out for leaders to clarify the paths to the goals and remove or help subordinates around the obstacles to the goals. In its simplest form, the theory reminds leaders that the overarching purpose of leadership is to guide and coach subordinates as they move along the path to achieve a goal.

CRITICISMS

Although path-goal theory has various strengths, it also has several identifiable weaknesses. First, path-goal theory is so complex and incorporates so many different aspects of leadership that interpreting the theory can be confusing. For example, path-goal theory makes predictions about which of four different leadership styles is appropriate for tasks with different degrees of structure, for goals with different levels of clarity, for workers at

different levels of ability, and for organizations with different degrees of formal authority. To say the least, it is a daunting task to incorporate all of these factors simultaneously into one's selection of a preferred leadership style. Because the scope of path-goal theory is so broad and encompasses so many different interrelated sets of assumptions, it is difficult to use this theory fully in trying to improve the leadership process in a given organizational context.

A second limitation of path-goal theory is that it has received only partial support from the many empirical research studies that have been conducted to test its validity (House & Mitchell, 1974; Indvik, 1986; Schriesheim, Castro, Zhou, & DeChurch, 2006; Schriesheim & Kerr, 1977; Schriesheim & Schriesheim, 1980; Stinson & Johnson, 1975; Wofford & Liska, 1993). For example, some research supports the prediction that leader directiveness is positively related to worker satisfaction when tasks are ambiguous, but other research has failed to confirm this relationship. Furthermore, not all aspects of the theory have been given equal attention. A great deal of research has been designed to study directive and supportive leadership, but fewer studies address participative and achievement-oriented leadership. The claims of path-goal theory remain tentative because the research findings to date do not provide a full and consistent picture of the basic assumptions and corollaries of path-goal theory (Evans, 1996; Jermier, 1996; Schriesheim & Neider, 1996).

Another criticism of path-goal theory is that it fails to explain adequately the relationship between leadership behavior and worker motivation. Path-goal theory is unique in that it incorporates the tenets of expectancy theory; however, it does not go far enough in explicating how leadership is related to these tenets. The principles of expectancy theory suggest that subordinates will be motivated if they feel competent and trust that their efforts will get results, but path-goal theory does not describe how a leader could use various styles directly to help subordinates feel competent or assured of success. For example, path-goal theory does not explain how directive leadership during ambiguous tasks increases subordinate motivation. Similarly, it does not explain how supportive leadership during tedious work relates to subordinate motivation. The result is that the practitioner is left with an inadequate understanding of how her or his leadership will affect subordinates' expectations about their work.

A final criticism that can be made of path-goal theory concerns a practical outcome of the theory. Path-goal theory suggests that it is important

for leaders to provide coaching, guidance, and direction for subordinates, to help subordinates define and clarify goals, and to help subordinates around obstacles as they attempt to reach their goals. In effect, this approach treats leadership as a one-way event: The leader affects the subordinate. The potential difficulty in this type of "helping" leadership is that subordinates may easily become dependent on the leader to accomplish their work. Path-goal theory places a great deal of responsibility on leaders and much less on subordinates. Over time, this kind of leadership could be counterproductive because it promotes dependency and fails to recognize the full abilities of subordinates.

APPLICATION

Path-goal theory is not an approach to leadership for which many management training programs have been developed. You will not find many seminars with titles such as "Improving Your Path-Goal Leadership" or "Assessing Your Skills in Path-Goal Leadership," either. Nevertheless, path-goal theory does offer significant insights that can be applied in ongoing settings to improve one's leadership.

Path-goal theory provides a set of general recommendations based on the characteristics of subordinates and tasks for how leaders should act in various situations if they want to be effective. It informs us about when to be directive, supportive, participative, or achievement oriented. For instance, the theory suggests that leaders should be directive when tasks are complex, and the leader should give support when tasks are dull. Similarly, it suggests that leaders should be participative when subordinates need control and that leaders should be achievement oriented when subordinates need to excel. In a general way, path-goal theory offers leaders a road map that gives directions about ways to improve subordinate satisfaction and performance.

The principles of path-goal theory can be used by leaders at all levels in the organization and for all types of tasks. To apply path-goal theory, a leader must carefully assess the subordinates and their tasks, and then choose an appropriate leadership style to match those characteristics. If subordinates are feeling insecure about doing a task, the leader needs to adopt a style that builds subordinate confidence. For example, in a university setting where a junior faculty member feels apprehensive about his or her teaching and

research, a department chair should give supportive leadership. By giving care and support, the chair helps the junior faculty member gain a sense of confidence about his or her ability to perform the work (Bess & Goldman, 2001). If subordinates are uncertain whether their efforts will result in reaching their goals, the leader needs to prove to them that their efforts will be rewarded. As discussed earlier in the chapter, path-goal theory is useful because it continually reminds leaders that their central purpose is to help subordinates define their goals and then to help subordinates reach their goals in the most efficient manner.

CASE STUDIES

The following cases provide descriptions of various situations in which a leader is attempting to apply path-goal theory. Two of the cases, Cases 7.1 and 7.2, are from traditional business contexts; the third, Case 7.3, is from an informal social organization. As you read the cases, try to apply the principles of path-goal theory to determine the degree to which you think the leaders in the cases have done a good job of using this theory.

CASE 7.1

Three Shifts, Three Supervisors

Brako is a small manufacturing company that produces parts for the automobile industry. The company has several patents on parts that fit in the brake assembly of nearly all domestic and foreign cars. Each year, the company produces 3 million parts that it ships to assembly plants throughout the world. To produce the parts, Brako runs three shifts with about 40 workers on each shift.

The supervisors for the three shifts (Art, Bob, and Carol) are experienced employees, and each has been with the company for more than 20 years. The supervisors appear satisfied with their work and have reported no major difficulty in supervising employees at Brako.

Art supervises the first shift. Employees describe him as being a very hands-on type of leader. He gets very involved in the day-to-day operations of the facility. Workers joke that Art knows to the milligram the amount of raw materials the company has on hand at any given time. Art

often can be found walking through the plant and reminding people of the correct procedures to follow in doing their work. Even for those working on the production line, Art always has some directions and reminders.

Workers on the first shift have few negative comments to make about Art's leadership. However, they are negative about many other aspects of their work. Most of the work on this shift is very straightforward and repetitive; as a result, it is monotonous. The rules for working on the production line or in the packaging area are all clearly spelled out and require no independent decision making on the part of workers. Workers simply need to show up and go through the motions. On lunch breaks, workers often are heard complaining about how bored they are doing the same old thing over and over. Workers do not criticize Art, but they do not think he really understands their situation.

Bob supervises the second shift. He really enjoys working at Brako and wants all the workers on the afternoon shift to enjoy their work as well. Bob is a people-oriented supervisor whom workers describe as very genuine and caring. Hardly a day goes by that Bob does not post a message about someone's birthday or someone's personal accomplishment. Bob works hard at creating camaraderie, including sponsoring a company softball team, taking people out to lunch, and having people over to his house for social events.

Despite Bob's personableness, absenteeism and turnover are highest on the second shift. The second shift is responsible for setting up the machines and equipment when changes are made from making one part to making another. In addition, the second shift is responsible for the complex computer programs that monitor the machines. Workers on the second shift take a lot of heat from others at Brako for not doing a good job.

Workers on the second shift feel pressure because it is not always easy to figure out how to do their tasks. Each setup is different and entails different procedures. Although the computer is extremely helpful when it is calibrated appropriately to the task, it can be extremely problematic when the software it uses is off the mark. Workers have complained to Bob and upper management many times about the difficulty of their jobs.

Carol supervises the third shift. Her style is different from that of the others at Brako. Carol routinely has meetings, which she labels troubleshooting sessions, for the purpose of identifying problems workers are experiencing. Any time there is a glitch on the production line, Carol wants to know about it so she can help workers find a solution. If workers cannot do a particular job, she shows them how. For those who are uncertain of their competencies, Carol gives reassurance. Carol tries to

(Continued)

(Continued)

spend time with each worker and help the workers focus on their personal goals. In addition, she stresses company goals and the rewards that are available if workers are able to make the grade.

People on the third shift like to work for Carol. They find she is good at helping them do their job. They say she has a wonderful knack for making everything fall into place. When there are problems, she addresses them. When workers feel down, she builds them up. Carol was described by one worker as an interesting mixture of part parent, part coach, and part manufacturing expert. Upper management at Brako is pleased with Carol's leadership, but they have experienced problems repeatedly when workers from Carol's shift have been rotated to other shifts at Brako.

Questions

1. Based on the principles of path-goal theory, describe why Art and Bob appear to be less effective than Carol.
2. How does the leadership of each of the three supervisors affect the motivation of their respective subordinates?
3. If you were consulting with Brako about leadership, what changes and recommendations would you make regarding the supervision of Art, Bob, and Carol?

CASE 7.2

Direction for Some, Support for Others

Daniel Shivitz is the manager of a small business called The Copy Center, which is located near a large university. The Copy Center employs about 18 people, most of whom work part-time while going to school full-time. The store caters to the university community by specializing in course packs, but it also provides desktop publishing and standard copying services. It has three large, state-of-the-art copy machines and several computer workstations.

There are two other national chain copy stores in the immediate vicinity of The Copy Center, yet this store does more business than both of the other stores combined. A major factor contributing to the success of this store is Daniel's leadership style.

One of the things that stands out about Daniel is the way he works with his part-time staff. Most of them are students, who have to schedule their work hours around their class schedules, and Daniel has a reputation of being really helpful with working out schedule conflicts. No conflict is too small for Daniel, who is always willing to juggle schedules to meet the needs of everyone. Students talk about how much they feel included and like the spirit at The Copy Center. It is as if Daniel makes the store like a second family for them.

Work at The Copy Center divides itself into two main areas: duplicating services and desktop publishing. In both areas, Daniel's leadership is effective.

Duplicating is a straightforward operation that entails taking a customer's originals and making copies of them. Because this job is tedious, Daniel goes out of his way to help the staff make it tolerable. He promotes a friendly work atmosphere by doing such things as letting the staff wear casual attire, letting them choose their own tapes for background music, and letting them be a bit wild on the job. Daniel spends a lot of time each day conversing informally with each employee; he also welcomes staff talking with each other. Daniel has a knack for making each worker feel significant even when the work is insignificant. He promotes camaraderie among his staff, and he is not afraid to become involved in their activities.

The desktop publishing area is more complex than duplicating. It involves creating business forms, advertising pieces, and résumés for customers. Working in desktop publishing requires skills in writing, editing, design, and layout. It is challenging work because it is not always easy to satisfy customers' needs. Most of the employees in this area are full-time workers.

Through the years, Daniel has found that employees who work best in desktop publishing are a unique type of person, very different from those who work in duplicating. They are usually quite independent, self-assured, and self-motivated. In supervising them, Daniel gives them a lot of space, is available when they need help, but otherwise leaves them alone.

Daniel likes the role of being the resource person for these employees. For example, if an employee is having difficulty on a customer's project, he willingly joins the employee in troubleshooting the problem. Similarly, if one of the staff is having problems with a software program, Daniel is quick to offer his technical expertise. Because the employees in desktop publishing are self-directed, Daniel spends far less time with them than with those who work in duplicating.

(Continued)

(Continued)

Overall, Daniel feels successful with his leadership at The Copy Center. Profits for the store continue to grow each year, and its reputation for high-quality service is widespread.

Questions

1. According to path-goal theory, why is Daniel an effective leader?
2. How does his leadership style affect the motivation of employees at The Copy Center?
3. How do characteristics of the task and the subordinates influence Daniel's leadership?
4. One of the principles of path-goal theory is to make the end goal valuable to workers. What could Daniel do to improve subordinate motivation in this area?

CASE 7.3

Marathon Runners at Different Levels

David Abruzzo is the newly elected president of the Metrocity Striders Track Club (MSTC). One of his duties is to serve as the coach for runners who hope to complete the New York City Marathon. Because David has run many marathons and ultramarathons successfully, he feels quite comfortable assuming the role and responsibilities of coach for the marathon runners.

The training period for runners intending to run New York is 16 weeks. During the first couple of weeks of training, David was pleased with the progress of the runners and had little difficulty in his role as coach. However, when the runners reached Week 8, the halfway mark, some things began to occur that raised questions in David's mind regarding how best to help his runners. The issues of concern seemed quite different from those that David had expected to hear from runners in a marathon training program. All in all, the runners and their concerns could be divided into three different groups.

One group of runners, most of whom had never run a marathon, peppered the coach with all kinds of questions. They were very concerned about how to do the marathon and whether they had the ability to complete such a challenging event successfully. They asked questions about how far to run in training, what to eat, how much to drink, and what kind of shoes to wear. One runner wanted to know what to eat the night before the marathon, and another wanted to know whether it was likely that he would pass out when he crossed the finish line. For David the questions were never-ending and rather basic.

Another set of runners seemed most concerned about the effects of training on their running. For example, they wanted to know precisely how their per week running mileage related to their possible marathon finishing time. Would running long practice runs help them through the wall at the 20-mile mark? Would carbo-loading improve their performance during the marathon? Would taking a rest day during training actually help their overall conditioning? Basically, all the runners in this group seemed to want assurances from David that they were training in the right way for New York.

A third group was made up of seasoned runners, most of whom had run several marathons and many of whom had finished in the top 10 of their respective age divisions. Regardless of their experience, these runners still seemed to be having trouble. They complained of feeling flat and acted a bit moody and down about training. Even though they had confidence in their ability to compete and finish well, they lacked excitement about running in the New York event. The occasional questions they raised usually concerned such things as whether their overall training strategy was appropriate or whether their training would help them in other races besides the New York City Marathon.

Questions

1. Based on the principles described in path-goal theory, what kind of leadership should David exhibit with each of the three running groups?
2. What does David have to do to help the runners accomplish their goals?
3. Are there obstacles that David can remove or help runners to confront?
4. In general, how can David motivate each of the three groups?

LEADERSHIP INSTRUMENT

Because the path-goal theory was developed as a complex set of theoretical assumptions to direct researchers in developing new leadership theory, it has used many different instruments to measure the leadership process. The Path-Goal Leadership Questionnaire has been useful in measuring and learning about important aspects of path-goal leadership (Indvik, 1985, 1988). This questionnaire provides information for respondents about four different leadership styles: directive, supportive, participative, and achievement oriented. Respondents' scores on each of the different styles provide them with information on their strong and weak styles and the relative importance they place on each of the styles.

To understand the path-goal questionnaire better, it may be useful to analyze a hypothetical set of scores. For example, hypothesize that your scores on the questionnaire were 29 for directive, which is high; 22 for supportive, which is low; 21 for participative, which is average; and 25 for achievement, which is high. These scores suggest that you are a leader who is typically more directive and achievement oriented than most other leaders, less supportive than other leaders, and quite similar to other leaders in the degree to which you act participatively.

According to the principles of path-goal theory, if your scores matched these hypothetical scores, you would be effective in situations where the tasks and procedures are unclear and your subordinates have a need for certainty. You would be less effective in work settings that are structured and unchallenging. In addition, you would be moderately effective in ambiguous situations with subordinates who want control. Last, you would do very well in uncertain situations where you could set high standards, challenge subordinates to meet these standards, and help them feel confident in their abilities.

In addition to the Path-Goal Leadership Questionnaire, leadership researchers have commonly used multiple instruments to study path-goal theory, including measures of task structure, locus of control, employee expectancies, and employee satisfaction. Although the primary use of these instruments has been for theory building, many of the instruments offer valuable information related to practical leadership issues.

PATH-GOAL LEADERSHIP QUESTIONNAIRE*

Instructions: This questionnaire contains questions about different styles of path-goal leadership. Indicate how often each statement is true of your own behavior.

Key: 1 = Never 2 = Hardly ever 3 = Seldom 4 = Occasionally 5 = Often
6 = Usually 7 = Always

- | | |
|---|---------------|
| 1. I let subordinates know what is expected of them. | 1 2 3 4 5 6 7 |
| 2. I maintain a friendly working relationship with subordinates. | 1 2 3 4 5 6 7 |
| 3. I consult with subordinates when facing a problem. | 1 2 3 4 5 6 7 |
| 4. I listen receptively to subordinates' ideas and suggestions. | 1 2 3 4 5 6 7 |
| 5. I inform subordinates about what needs to be done and how it needs to be done. | 1 2 3 4 5 6 7 |
| 6. I let subordinates know that I expect them to perform at their highest level. | 1 2 3 4 5 6 7 |
| 7. I act without consulting my subordinates. | 1 2 3 4 5 6 7 |
| 8. I do little things to make it pleasant to be a member of the group. | 1 2 3 4 5 6 7 |
| 9. I ask subordinates to follow standard rules and regulations. | 1 2 3 4 5 6 7 |
| 10. I set goals for subordinates' performance that are quite challenging. | 1 2 3 4 5 6 7 |
| 11. I say things that hurt subordinates' personal feelings. | 1 2 3 4 5 6 7 |
| 12. I ask for suggestions from subordinates concerning how to carry out assignments. | 1 2 3 4 5 6 7 |
| 13. I encourage continual improvement in subordinates' performance. | 1 2 3 4 5 6 7 |
| 14. I explain the level of performance that is expected of subordinates. | 1 2 3 4 5 6 7 |
| 15. I help subordinates overcome problems that stop them from carrying out their tasks. | 1 2 3 4 5 6 7 |
| 16. I show that I have doubts about subordinates' ability to meet most objectives. | 1 2 3 4 5 6 7 |
| 17. I ask subordinates for suggestions on what assignments should be made. | 1 2 3 4 5 6 7 |
| 18. I give vague explanations of what is expected of subordinates on the job. | 1 2 3 4 5 6 7 |
| 19. I consistently set challenging goals for subordinates to attain. | 1 2 3 4 5 6 7 |
| 20. I behave in a manner that is thoughtful of subordinates' personal needs. | 1 2 3 4 5 6 7 |

Scoring

1. Reverse the scores for Items 7, 11, 16, and 18.
2. Directive style: Sum of scores on Items 1, 5, 9, 14, and 18.
3. Supportive style: Sum of scores on Items 2, 8, 11, 15, and 20.
4. Participative style: Sum of scores on Items 3, 4, 7, 12, and 17.
5. Achievement-oriented style: Sum of scores on Items 6, 10, 13, 16, and 19.

Scoring Interpretation

- Directive style: A common score is 23, scores above 28 are considered high, and scores below 18 are considered low.
- Supportive style: A common score is 28, scores above 33 are considered high, and scores below 23 are considered low.
- Participative style: A common score is 21, scores above 26 are considered high, and scores below 16 are considered low.
- Achievement-oriented style: A common score is 19, scores above 24 are considered high, and scores below 14 are considered low.

The scores you received on the path-goal questionnaire provide information about which style of leadership you use most often and which you use less often. In addition, you can use these scores to assess your use of each style relative to your use of the other styles.

SOURCES: "Adapted from *A Path-Goal Theory Investigation of Superior Subordinate Relationships*, by J. Indvik, unpublished doctoral dissertation, University of Wisconsin-Madison, 1985; and Indvik (1988). Based on the work of House and Dessler (1974) and House (1977) cited in Fulk and Wendler (1982). Used by permission.

SUMMARY

Path-goal theory was developed to explain how leaders motivate subordinates to be productive and satisfied with their work. It is a contingency approach to leadership because effectiveness depends on the fit between the leader's behavior and the characteristics of subordinates and the task.

The basic principles of path-goal theory are derived from expectancy theory, which suggests that employees will be motivated if they feel competent, if they think their efforts will be rewarded, and if they find the payoff for their work valuable. A leader can help subordinates by selecting

a style of leadership (directive, supportive, participative, or achievement oriented) that provides what is missing for subordinates in a particular work setting. In simple terms, it is the leader's responsibility to help subordinates reach their goals by directing, guiding, and coaching them along the way.

Path-goal theory offers a large set of predictions for how a leader's style interacts with subordinates' needs and the nature of the task. Among other things, it predicts that directive leadership is effective with ambiguous tasks, that supportive leadership is effective for repetitive tasks, that participative leadership is effective when tasks are unclear and subordinates are autonomous, and that achievement-oriented leadership is effective for challenging tasks.

Path-goal theory has three major strengths. First, it provides a theoretical framework that is useful for understanding how directive, supportive, participative, and achievement-oriented styles of leadership affect the productivity and satisfaction of subordinates. Second, path-goal theory is unique in that it integrates the motivation principles of expectancy theory into a theory of leadership. Third, it provides a practical model that underscores the important ways in which leaders help subordinates.

On the negative side, four criticisms can be leveled at path-goal theory. First, the scope of path-goal theory encompasses so many interrelated sets of assumptions that it is hard to use this theory in a given organizational setting. Second, research findings to date do not support a full and consistent picture of the claims of the theory. Furthermore, path-goal theory does not show in a clear way how leader behaviors directly affect subordinate motivation levels. Last, path-goal theory is very leader oriented and fails to recognize the transactional nature of leadership. It does not promote subordinate involvement in the leadership process.

REFERENCES

- Bess, J. L., & Goldman, P. (2001). Leadership ambiguity in universities and K-12 schools and the limits of contemporary leadership theory. *Leadership Quarterly*, 12, 419-450.
- Evans, M. G. (1970). The effects of supervisory behavior on the path-goal relationship. *Organizational Behavior and Human Performance*, 5, 277-298.
- Evans, M. G. (1996). R. J. House's "A path-goal theory of leader effectiveness." *Leadership Quarterly*, 7(3), 305-309.

- Fulk, J., & Wendler, E. R. (1982). Dimensionality of leader-subordinate interactions: A path-goal investigation. *Organizational Behavior and Human Performance*, 30, 241-264.
- Halpin, A. W., & Winer, B. J. (1957). A factorial study of the leader behavior descriptions. In R. M. Stogdill & A. E. Coons (Eds.), *Leader behavior: Its description and measurement*. Columbus: Ohio State University, Bureau of Business Research.
- House, R. J. (1971). A path-goal theory of leader effectiveness. *Administrative Science Quarterly*, 16, 321-328.
- House, R. J. (1977). A 1976 theory of charismatic leadership. In J. G. Hunt & L. L. Larson (Eds.), *Leadership: The cutting edge* (pp. 189-207). Carbondale: Southern Illinois University Press.
- House, R. J. (1996). Path-goal theory of leadership: Lessons, legacy, and a reformulated theory. *Leadership Quarterly*, 7(3), 323-352.
- House, R. J., & Dessler, G. (1974). The path-goal theory of leadership: Some post hoc and a priori tests. In J. Hunt & L. Larson (Eds.), *Contingency approaches in leadership* (pp. 29-55). Carbondale: Southern Illinois University Press.
- House, R. J., & Mitchell, R. R. (1974). Path-goal theory of leadership. *Journal of Contemporary Business*, 3, 81-97.
- Indvik, J. (1985). *A path-goal theory investigation of superior-subordinate relationships*. Unpublished doctoral dissertation, University of Wisconsin-Madison.
- Indvik, J. (1986). Path-goal theory of leadership: A meta-analysis. In *Proceedings of the Academy of Management meeting* (pp. 189-192). Briarcliff Manor, NY: Academy of Management.
- Indvik, J. (1988). *A more complete testing of path-goal theory*. Paper presented at the Academy of Management, Anaheim, CA.
- Jermier, J. M. (1996). The path-goal theory of leadership: A subtextual analysis. *Leadership Quarterly*, 7(3), 311-316.
- Schriesheim, C.A., Castro, S. L., Zhou, X., & DeChurch, L. A. (2006). An investigation of path-goal and transformational leadership theory predictions at the individual level of analysis. *Leadership Quarterly*, 17, 21-38.
- Schriesheim, C. A., & Kerr, S. (1977). Theories and measures of leadership: A critical appraisal. In J. G. Hunt & L. L. Larson (Eds.), *Leadership: The cutting edge* (pp. 9-45). Carbondale: Southern Illinois University Press.
- Schriesheim, C. A., & Neider, L. L. (1996). Path-goal leadership theory: The long and winding road. *Leadership Quarterly*, 7(3), 317-321.
- Schriesheim, J. R., & Schriesheim, C. A. (1980). A test of the path-goal theory of leadership and some suggested directions for future research. *Personnel Psychology*, 33, 349-370.
- Stinson, J. E., & Johnson, R. W. (1975). The path-goal theory of leadership: A partial test and suggested refinement. *Academy of Management Journal*, 18, 242-252.
- Wofford, J. C., & Liska, L. Z. (1993). Path-goal theories of leadership: A meta-analysis. *Journal of Management*, 19(4), 857-876.

Transformational Leadership

DESCRIPTION

One of the current and most popular approaches to leadership that has been the focus of much research since the early 1980s is the transformational approach. Transformational leadership is part of the “New Leadership” paradigm (Bryman, 1992), which gives more attention to the charismatic and affective elements of leadership. Bass and Riggio (2006) suggested that its popularity might be due to its emphasis on intrinsic motivation and follower development. Transformational leadership fits the needs of today’s work groups, who want to be inspired and empowered to succeed in times of uncertainty. In a content analysis of articles published in *Leadership Quarterly*, Lowe and Gardner (2001) found that one-third of the research was about transformational or charismatic leadership. Clearly, many scholars are studying transformational leadership, and it occupies a central place in leadership research.

As its name implies, transformational leadership is a process that changes and transforms people. It is concerned with emotions, values, ethics, standards, and long-term goals. It includes assessing followers’ motives, satisfying their needs, and treating them as full human beings. Transformational leadership involves an exceptional form of influence that moves followers to accomplish more than what is usually expected of them. It is a process that often incorporates charismatic and visionary leadership.

An encompassing approach, transformational leadership can be used to describe a wide range of leadership, from very specific attempts to influence followers on a one-to-one level, to very broad attempts to influence

whole organizations and even entire cultures. Although the transformational leader plays a pivotal role in precipitating change, followers and leaders are inextricably bound together in the transformation process.

Transformational Leadership Defined

The term *transformational leadership* was first coined by Downton (1973). Its emergence as an important approach to leadership began with a classic work by political sociologist James MacGregor Burns titled *Leadership* (1978). In his work, Burns attempted to link the roles of leadership and followership. He wrote of leaders as people who tap the motives of followers in order to better reach the goals of leaders and followers (p. 18). For Burns, leadership is quite different from power because it is inseparable from followers' needs.

Burns distinguished between two types of leadership: *transactional* and *transformational*. Transactional leadership refers to the bulk of leadership models, which focus on the exchanges that occur between leaders and their followers. Politicians who win votes by promising "no new taxes" are demonstrating transactional leadership. Similarly, managers who offer promotions to employees who surpass their goals are exhibiting transactional leadership. In the classroom, teachers are being transactional when they give students a grade for work completed. The exchange dimension of transactional leadership is very common and can be observed at many levels throughout all types of organizations.

In contrast to transactional leadership, transformational leadership is the process whereby a person engages with others and creates a connection that raises the level of motivation and morality in both the leader and the follower. This type of leader is attentive to the needs and motives of followers and tries to help followers reach their fullest potential. Burns points to Mohandas Gandhi as a classic example of transformational leadership. Gandhi raised the hopes and demands of millions of his people, and, in the process, was changed himself.

Another good example of transformational leadership can be observed in the life of Ryan White. This teenager raised the American people's awareness about AIDS and in the process became a spokesperson for increasing government support of AIDS research. In the organizational world, an example of transformational leadership would be a manager

who attempts to change his or her company's corporate values to reflect a more humane standard of fairness and justice. In the process, both the manager and the followers may emerge with a stronger and higher set of moral values.

Because the conceptualization of transformational leadership set forth by Burns (1978) includes raising the level of morality in others, it is difficult to use this term when describing leaders such as Adolf Hitler and Saddam Hussein, who were transforming but in a negative way. To deal with this problem Bass (1998) coined the term *pseudotransformational leadership*. This term refers to leaders who are self-consumed, exploitive, and power oriented, with warped moral values (Bass & Riggio, 2006). Pseudotransformational leadership is considered personalized leadership, which focuses on the leader's own interests rather than on the interests of others (Bass & Steidlmeier, 1999). Authentic transformational leadership is socialized leadership, which is concerned with the collective good. Socialized transformational leaders transcend their own interests for the sake of others (Howell & Avolio, 1993).

Transformational Leadership and Charisma

At about the same time Burns's book was published, House (1976) published a theory of charismatic leadership. Since its publication, charismatic leadership has received a great deal of attention by researchers (e.g., Conger, 1999; Hunt & Conger, 1999). It is often described in ways that make it similar to, if not synonymous with, transformational leadership.

The word *charisma* was first used to describe a special gift that certain individuals possess that gives them the capacity to do extraordinary things. Weber (1947) provided the most well-known definition of charisma as a special personality characteristic that gives a person superhuman or exceptional powers and is reserved for a few, is of divine origin, and results in the person being treated as a leader. Despite Weber's emphasis on charisma as a personality characteristic, he also recognized the important role played by followers in validating charisma in these leaders (Bryman, 1992; House, 1976).

In his theory of charismatic leadership, House suggested that charismatic leaders act in unique ways that have specific charismatic effects on

their followers (Table 9.1). For House, the personality characteristics of a charismatic leader include being dominant, having a strong desire to influence others, being self-confident, and having a strong sense of one's own moral values.

Table 9.1 Personality Characteristics, Behaviors, and Effects on Followers of Charismatic Leadership

Personality Characteristics	Behaviors	Effects on Followers
Dominant	Sets strong role model	Trust in leader's ideology
Desire to influence	Shows competence	Belief similarity between leader and follower
Self-confident	Articulates goals	Unquestioning acceptance
Strong moral values	Communicates high expectations	Affection toward leader
	Expresses confidence	Obedience
	Arouses motives	Identification with leader
		Emotional involvement
		Heightened goals
		Increased confidence

In addition to displaying certain personality characteristics, charismatic leaders also demonstrate specific types of behaviors. First, they are strong role models for the beliefs and values they want their followers to adopt. For example, Gandhi advocated nonviolence and was an exemplary role model of civil disobedience. Second, charismatic leaders appear competent to followers. Third, they articulate ideological goals that have moral overtones. Martin Luther King, Jr.'s famous "I Have a Dream" speech is an example of this type of charismatic behavior.

Fourth, charismatic leaders communicate high expectations for followers, and they exhibit confidence in followers' abilities to meet these expectations. The impact of this behavior is to increase followers' sense of

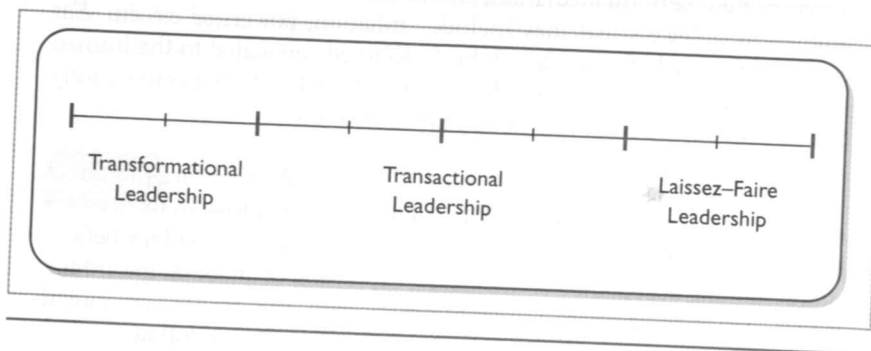
competence and self-efficacy (Avolio & Gibbons, 1988), which in turn improves their performance. Fifth, charismatic leaders arouse task-relevant motives in followers that may include affiliation, power, or esteem. For example, former U.S. president John F. Kennedy appealed to the human values of the American people when he stated, "Ask not what your country can do for you; ask what you can do for your country."

According to House's charismatic theory, several effects are the direct result of charismatic leadership. They include follower trust in the leader's ideology, similarity between the followers' beliefs and the leader's beliefs, unquestioning acceptance of the leader, expression of affection toward the leader, follower obedience, identification with the leader, emotional involvement in the leader's goals, heightened goals for followers, and increased follower confidence in goal achievement. Consistent with Weber, House contends that these charismatic effects are more likely to occur in contexts in which followers feel distress because in stressful situations followers look to leaders to deliver them from their difficulties.

House's charismatic theory has been extended and revised through the years (see Conger, 1999; Conger & Kanungo, 1998). One major revision to the theory was made by Shamir, House, and Arthur (1993). They postulated that charismatic leadership transforms followers' self-concepts and tries to link the identity of followers to the collective identity of the organization. Charismatic leaders forge this link by emphasizing the intrinsic rewards of work and deemphasizing the extrinsic rewards. The hope is that followers will view work as an expression of themselves. Throughout the process, leaders express high expectations for followers and help them gain a sense of confidence and self-efficacy. In summary, charismatic leadership works because it ties followers and their self-concepts to the organizational identity.

A Model of Transformational Leadership

In the mid-1980s, Bass (1985) provided a more expanded and refined version of transformational leadership that was based on, but not fully consistent with, the prior works of Burns (1978) and House (1976). In his approach, Bass extended Burns's work by giving more attention to followers' rather than leaders' needs, by suggesting that transformational leadership could apply to situations in which the outcomes were not positive, and by describing transactional and transformational leadership as a single continuum (Figure 9.1) rather than mutually independent continua (Yammarino, 1993). Bass extended House's work by giving more attention to the emotional elements and origins of charisma and by suggesting that

Figure 9.1 Leadership Continuum From Transformational to Laissez-Faire Leadership

charisma is a necessary but not sufficient condition for transformational leadership (Yammarino, 1993).

Bass (1985, p. 20) argued that transformational leadership motivates followers to do more than expected by (a) raising followers' levels of consciousness about the importance and value of specified and idealized goals, (b) getting followers to transcend their own self-interest for the sake of the team or organization, and (c) moving followers to address higher-level needs. An elaboration of the dynamics of the transformation process is provided in his model of transformational and transactional leadership (Bass, 1985, 1990; Bass & Avolio, 1993, 1994). Additional clarification of the model is provided by Avolio in his book *Full Leadership Development: Building the Vital Forces in Organizations* (1999).

As can be seen in Table 9.2, the model of transformational and transactional leadership incorporates seven different factors. These factors are also illustrated in the Full Range of Leadership model, which is provided in Figure 9.2. A discussion of each of these seven factors will help to clarify Bass's model. This discussion will be divided into three parts: transformational factors (4), transactional factors (2), and the nonleadership, non-transactional factor (1).

Transformational Leadership Factors

Transformational leadership is concerned with improving the performance of followers and developing followers to their fullest

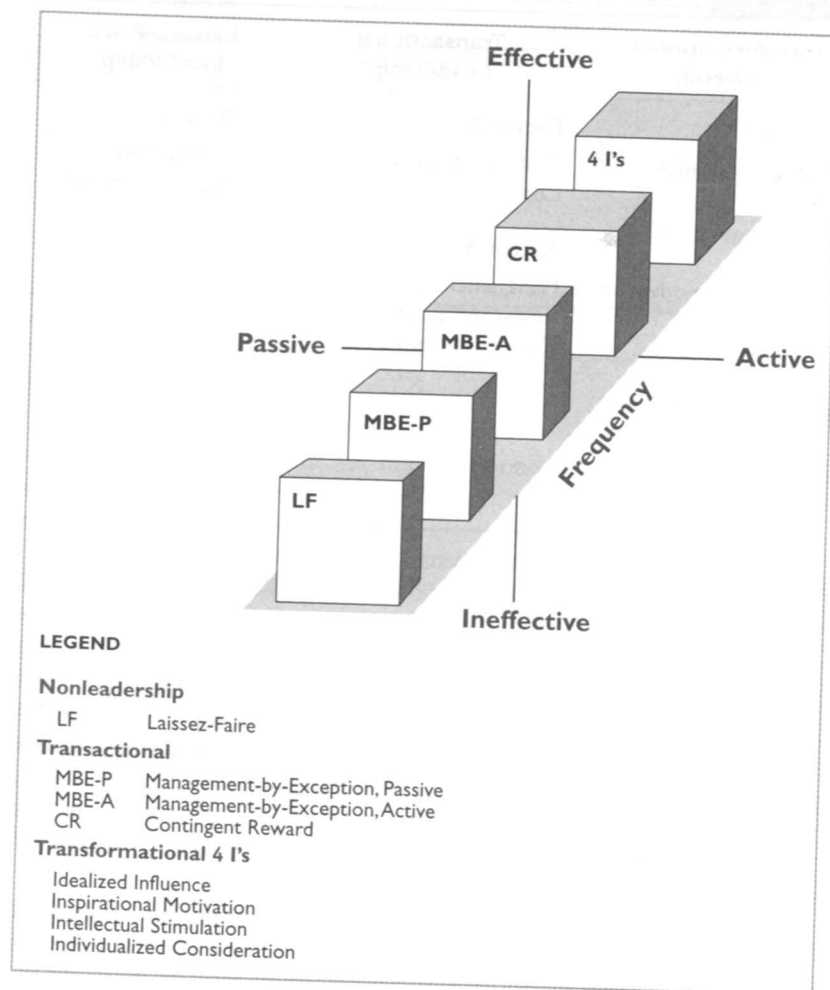
Table 9.2 Leadership Factors

Transformational Leadership	Transactional Leadership	Laissez-Faire Leadership
Factor 1 Idealized influence Charisma	Factor 5 Contingent reward Constructive transactions	Factor 7 Laissez-faire Nontransactional
Factor 2 Inspirational motivation	Factor 6 Management-by-exception Active and passive Corrective transactions	
Factor 3 Intellectual stimulation		
Factor 4 Individualized consideration		

potential (Avolio, 1999; Bass & Avolio, 1990a). People who exhibit transformational leadership often have a strong set of internal values and ideals, and they are effective at motivating followers to act in ways that support the greater good rather than their own self-interests (Kuhnert, 1994).

Idealized Influence. Factor 1 is called *charisma* or *idealized influence*. It describes leaders who act as strong role models for followers; followers identify with these leaders and want very much to emulate them. These leaders usually have very high standards of moral and ethical conduct and can be counted on to do the right thing. They are deeply respected by followers, who usually place a great deal of trust in them. They provide followers with a vision and a sense of mission.

In essence, the charisma factor describes people who are special and who make others want to follow the vision they put forward. A person whose leadership exemplifies the charisma factor is Nelson Mandela, the first nonwhite president of South Africa. Mandela is viewed as a leader

Figure 9.2 Full Range of Leadership Model

SOURCE: From Bass, B. M., & Avolio, B. J., *Improving Organizational Effectiveness Through Transformational Leadership*, © 1994, SAGE Publications, Inc. Reprinted with permission.

with high moral standards and a vision for South Africa that resulted in monumental change in how the people of South Africa would be governed. His charismatic qualities and the people's response to them transformed an entire nation.

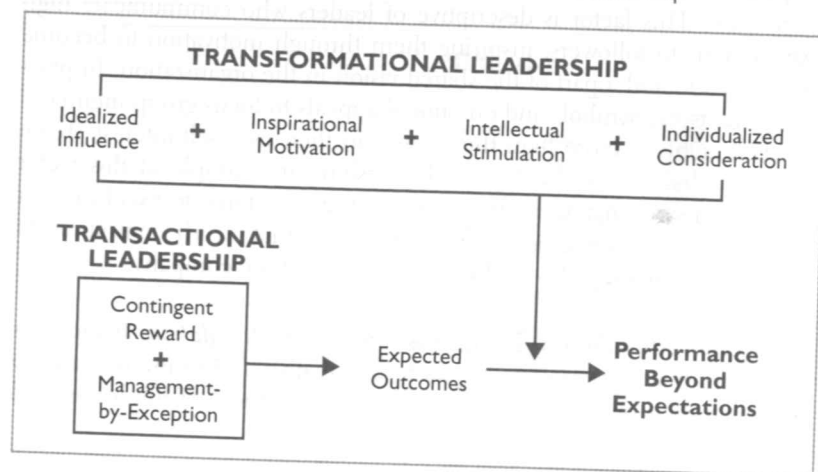
Inspirational Motivation. Factor 2 is called *inspiration* or *inspirational motivation*. This factor is descriptive of leaders who communicate high expectations to followers, inspiring them through motivation to become committed to and a part of the shared vision in the organization. In practice, leaders use symbols and emotional appeals to focus group members' efforts to achieve more than they would in their own self-interest. Team spirit is enhanced by this type of leadership. An example of this factor would be a sales manager who motivates the sales force to excel in their work through encouraging words and pep talks that clearly communicate the integral role they play in the future growth of the company.

Intellectual Stimulation. Factor 3 is *intellectual stimulation*. It includes leadership that stimulates followers to be creative and innovative and to challenge their own beliefs and values as well as those of the leader and the organization.

This type of leadership supports followers as they try new approaches and develop innovative ways of dealing with organizational issues. It encourages followers to think things out on their own and engage in careful problem solving. An example of this type of leadership is a plant manager who promotes workers' individual efforts to develop unique ways to solve problems that have caused slowdowns in production.

Individualized Consideration. Factor 4 of the transformational factors is called *individualized consideration*. This factor is representative of leaders who provide a supportive climate in which they listen carefully to the individual needs of followers. Leaders act as coaches and advisers while trying to assist followers in becoming fully actualized. These leaders may use delegation to help followers grow through personal challenges. An example of this type of leadership is a manager who spends time treating each employee in a caring and unique way. To some employees, the leader may give strong affiliation; to others, the leader may give specific directives with a high degree of structure.

In essence, transformational leadership produces greater effects than transactional leadership (Figure 9.3). Whereas transactional leadership results in expected outcomes, transformational leadership results in performance that goes well beyond what is expected. In a meta-analysis of 39 studies in the transformational literature, for example, Lowe, Kroeck, and Sivasubramaniam (1996) found that people who exhibited transformational leadership were perceived to be more effective leaders with better work outcomes than those who exhibited only transactional leadership.

Figure 9.3 The Additive Effect of Transformational Leadership

SOURCE: Adapted from "The Implications of Transactional and Transformational Leadership for Individual, Team, and Organizational Development," by B. M. Bass and B. J. Avolio, 1990a, *Research in Organizational Change and Development*, 4, 231–272.

These findings were true for higher- and lower-level leaders, and for leaders in both public and private settings. Transformational leadership moves followers to accomplish more than what is usually expected of them. They become motivated to transcend their own self-interests for the good of the group or organization (Bass & Avolio, 1990a).

In a study of 220 employees at a large public transport company in Germany, Rowold and Heinitz (2007) found that transformational leadership augmented the impact of transactional leadership on employees' performance and company profit. In addition, they found that transformational leadership and charismatic leadership were overlapping but unique constructs, and that both were different from transactional leadership.

Similarly, Nemanich and Keller (2007) examined the impact of transformational leadership on 447 employees from a large multinational firm who were going through a merger and being integrated into a new organization. They found that transformational leadership behaviors such as idealized influence, inspirational motivation, individualized consideration, and intellectual stimulation were positively related to acquisition

acceptance, job satisfaction, and performance. In a major acquisition integration, transformational leadership can have a positive impact.

Transactional Leadership Factors

Transactional leadership differs from transformational leadership in that the transactional leader does not individualize the needs of subordinates or focus on their personal development. Transactional leaders exchange things of value with subordinates to advance their own and their subordinates' agendas (Kuhnert, 1994). Transactional leaders are influential because it is in the best interest of subordinates for them to do what the leader wants (Kuhnert & Lewis, 1987).

Contingent Reward. Factor 5, *contingent reward*, is the first of two transactional leadership factors (see Figure 9.2). It is an exchange process between leaders and followers in which effort by followers is exchanged for specified rewards. With this kind of leadership, the leader tries to obtain agreement from followers on what must be done and what the payoffs will be for the people doing it. An example of this type of transaction is a parent who negotiates with a child how much television the child can watch after practicing the piano. Another example often occurs in the academic setting: A dean negotiates with a college professor about the number and quality of publications he or she needs to have written in order to receive tenure and promotion.

Management-by-Exception. Factor 6 is called *management-by-exception*. It is leadership that involves corrective criticism, negative feedback, and negative reinforcement. Management-by-exception takes two forms: active and passive. A leader using the active form of management-by-exception watches followers closely for mistakes or rule violations and then takes corrective action. An example of active management-by-exception can be illustrated in the leadership of a sales supervisor who daily monitors how employees approach customers. She quickly corrects salespeople who are slow to approach customers in the prescribed manner. A leader using the passive form intervenes only after standards have not been met or problems have arisen. An example of passive management-by-exception is illustrated in the leadership of a supervisor who gives an employee a poor performance evaluation without ever talking with the employee about her or his prior work performance. In essence, both the active and passive management types use more negative reinforcement patterns than the positive reinforcement pattern described in Factor 5 under contingent reward.

Nonleadership Factor

In the model, the nonleadership factor diverges farther from transactional leadership and represents behaviors that are nontransactional.

Laissez-Faire. Factor 7 describes leadership that falls at the far right side of the transactional–transformational leadership continuum (see Figure 9.1). This factor represents the absence of leadership. As the French phrase implies, the *laissez-faire* leader takes a “hands-off, let-things-ride” approach. This leader abdicates responsibility, delays decisions, gives no feedback, and makes little effort to help followers satisfy their needs. There is no exchange with followers or attempt to help them grow. An example of a *laissez-faire* leader is the president of a small manufacturing firm who calls no meetings with plant supervisors, has no long-range plan for the firm, and makes little contact with employees.

Other Transformational Perspectives

In addition to Bass’s (1985, 1990; Bass & Avolio, 1994) work, two other lines of research have contributed in unique ways to our understanding of the nature of transformational leadership. They are the research of Bennis and Nanus (1985) and the work of Kouzes and Posner (1987, 2002). These scholars used similar research methods. They identified a number of middle- or senior-level leaders and conducted interviews with them, using open-ended, semistructured questionnaires. From this information, they constructed their models of leadership.

Bennis and Nanus

Bennis and Nanus (1985) asked 90 leaders basic questions such as, What are your strengths and weaknesses? What past events most influenced your leadership approach? What were the critical points in your career? From the answers leaders provided to these questions, Bennis and Nanus identified four common strategies used by leaders in transforming organizations.

First, transforming leaders had a clear *vision* of the future state of their organizations. It was an image of an attractive, realistic, and believable future (Bennis & Nanus, 1985, p. 89). The vision usually was simple, understandable, beneficial, and energy creating. The compelling nature of the vision touched the experiences of followers and pulled them into supporting the organization. When an organization has a clear vision, it is

easier for people within the organization to learn how they fit in with the overall direction of the organization and even the society in general. It empowers them because they feel they are a significant dimension of a worthwhile enterprise (pp. 90–91). Bennis and Nanus found that, to be successful, the vision had to grow out of the needs of the entire organization and to be claimed by those within it. Although leaders play a large role in articulating the vision, the emergence of the vision originates from both the leaders and the followers.

Second, transforming leaders were *social architects* for their organizations. This means they created a shape or form for the shared meanings people maintained within their organizations. These leaders communicated a direction that transformed their organization’s values and norms. In many cases, these leaders were able to mobilize people to accept a new group identity or a new philosophy for their organizations.

Third, transforming leaders created *trust* in their organizations by making their own positions clearly known and then standing by them. Trust has to do with being predictable or reliable, even in situations that are uncertain. For organizations, leaders built trust by articulating a direction and then consistently implementing the direction even though the vision may have involved a high degree of uncertainty. Bennis and Nanus (1985) found that when leaders established trust in an organization, it gave the organization a sense of integrity analogous to a healthy identity (p. 48).

Fourth, transforming leaders used creative deployment of self through *positive self-regard*. Leaders knew their strengths and weaknesses, and they emphasized their strengths rather than dwelling on their weaknesses. Based on an awareness of their own competence, effective leaders were able to immerse themselves in their tasks and the overarching goals of their organizations. They were able to fuse a sense of self with the work at hand. Bennis and Nanus also found that positive self-regard in leaders had a reciprocal impact on followers, creating in them feelings of confidence and high expectations. In addition, leaders in the study were committed to learning and relearning, so in their organizations there was consistent emphasis on education.

Kouzes and Posner

Kouzes and Posner (1987, 2002) developed their model by interviewing leaders about leadership. They interviewed more than 1,300 middle- and senior-level managers in private and public sector organizations and asked

them to describe their “personal best” experiences as leaders. Based on a content analysis of these descriptions, Kouzes and Posner constructed a model of leadership.

The Kouzes and Posner model consists of five fundamental *practices* that enable leaders to get extraordinary things accomplished: model the way, inspire a shared vision, challenge the process, enable others to act, and encourage the heart. For each of the five practices of exemplary leadership, Kouzes and Posner also have identified two commitments that serve as strategies for practicing exemplary leadership.

Model the Way. To model the way, leaders need to be clear about their own values and philosophy. They need to find their own voice and express it to others. Exemplary leaders set a personal example for others by their own behaviors. They also follow through on their promises and commitments and affirm the common values they share with others.

Inspire a Shared Vision. Effective leaders create compelling visions that can guide people’s behavior. They are able to visualize positive outcomes in the future and communicate them to others. Leaders also listen to the dreams of others and show them how their dreams can be realized. Through inspiring visions, leaders challenge others to transcend the status quo to do something for others.

Challenge the Process. Challenging the process means being willing to change the status quo and step into the unknown. It includes being willing to innovate, grow, and improve. Exemplary leaders are like pioneers: They want to experiment and try new things. They are willing to take risks to make things better. When exemplary leaders take risks, they do it one step at a time, learning from their mistakes as they go.

Enable Others to Act. Outstanding leaders are effective at working with people. They build trust with others and promote collaboration. Teamwork and cooperation are highly valued by these leaders. They listen closely to diverse points of view and treat others with dignity and respect. They also allow others to make choices, and they support the decisions that others make. In short, they create environments where people can feel good about their work and how it contributes to the greater community.

Encourage the Heart. Leaders encourage the heart by rewarding others for their accomplishments. It is natural for people to want support and to be recognized. Effective leaders are attentive to this need and are willing to give

praise to workers for jobs well done. They use authentic celebrations and rituals to show appreciation and encouragement to others. The outcome of this kind of support is greater collective identity and community spirit.

Overall, the Kouzes and Posner model emphasizes behaviors and has a prescriptive quality: It recommends what people need to do in order to become effective leaders. The five practices and their accompanying commitments provide a unique set of prescriptions for leaders. Kouzes and Posner (2002, p. 13) stressed that the five practices of exemplary leadership are available to everyone and are not reserved for those with “special” ability. The model is not about personality: It is about practice.

To measure the behaviors described in the model, Kouzes and Posner developed the Leadership Practices Inventory (LPI). The LPI is a 360-degree leadership assessment tool that consists of 30 questions that assess individual leadership competencies. It has been widely used in leadership training and development.

HOW DOES THE TRANSFORMATIONAL APPROACH WORK?

The transformational approach to leadership is a broad-based perspective that encompasses many facets and dimensions of the leadership process. In general, it describes how leaders can initiate, develop, and carry out significant changes in organizations. Although not definitive, the steps followed by transformational leaders usually take the following form.

Transformational leaders set out to empower followers and nurture them in change. They attempt to raise the consciousness in individuals and to get them to transcend their own self-interests for the sake of others. For example, Jung, Chow, and Wu (2003) studied upper-level leadership in 32 Taiwanese companies and found that transformational leadership was directly related to organizational innovation. Transformational leadership created a culture in which employees felt empowered and encouraged to freely discuss and try new things.

To create change, transformational leaders become strong role models for their followers. They have a highly developed set of moral values and a self-determined sense of identity (Avolio & Gibbons, 1988). They are confident, competent, and articulate, and they express strong ideals. They

listen to followers and are not intolerant of opposing viewpoints. A spirit of cooperation often develops between these leaders and their followers. Followers want to emulate transformational leaders because they learn to trust them and believe in the ideas for which they stand.

It is common for transformational leaders to create a vision. The vision emerges from the collective interests of various individuals and units in an organization. The vision is a focal point for transformational leadership. It gives the leader and the organization a conceptual map for where the organization is headed; it gives meaning and clarifies the organization's identity. Furthermore, the vision gives followers a sense of identity within the organization and also a sense of self-efficacy (Shamir et al., 1993).

The transformational approach also requires that leaders become social architects. This means that they make clear the emerging values and norms of the organization. They involve themselves in the culture of the organization and help shape its meaning. People need to know their roles and understand how they contribute to the greater purposes of the organization. Transformational leaders are out front in interpreting and shaping for organizations the shared meanings that exist within them.

Throughout the process, transformational leaders are effective at working with people. They build trust and foster collaboration with others. Transformational leaders encourage others and celebrate their accomplishments. In the end, transformational leadership results in people feeling better about themselves and their contributions to the greater common good.

STRENGTHS

In its present stage of development, the transformational approach has several strengths. First, transformational leadership has been widely researched from many different perspectives, including a series of qualitative studies of prominent leaders and CEOs in large, well-known organizations. It has also been the focal point for a large body of leadership research since its introduction in the 1970s. For example, content analysis of all the articles published in *Leadership Quarterly* from 1990 to 2000 showed that 34% of the articles were about transformational or charismatic leadership (Lowe & Gardner, 2001).

Second, transformational leadership has intuitive appeal. The transformational perspective describes how the leader is out front advocating change for others; this concept is consistent with society's popular notion of what leadership means. People are attracted to transformational leadership because it makes sense to them. It is appealing that a leader will provide a vision for the future.

Third, transformational leadership treats leadership as a process that occurs between followers and leaders. Because this process incorporates both the followers' and the leader's needs, leadership is not the sole responsibility of a leader but rather emerges from the interplay between leaders and followers. The needs of others are central to the transformational leader. As a result, followers gain a more prominent position in the leadership process because their attributions are instrumental in the evolving transformational process (Bryman, 1992, p. 176).

Fourth, the transformational approach provides a broader view of leadership that augments other leadership models. Many leadership models focus primarily on how leaders exchange rewards for achieved goals—the transactional process. The transformational approach provides an expanded picture of leadership that includes not only the exchange of rewards, but also leaders' attention to the needs and growth of followers (Avolio, 1999; Bass, 1985).

Fifth, transformational leadership places a strong emphasis on followers' needs, values, and morals. Burns (1978) suggested that transformational leadership involves attempts by leaders to move people to higher standards of moral responsibility. It includes motivating followers to transcend their own self-interests for the good of the team, organization, or community (Howell & Avolio, 1993; Shamir et al., 1993). Transformational leadership is fundamentally morally uplifting (Avolio, 1999). This emphasis sets the transformational approach apart from all other approaches to leadership because it suggests that leadership has a moral dimension. Therefore, the coercive uses of power by people such as Hitler, Jim Jones, and David Koresh can be disregarded as models of leadership.

Finally, there is substantial evidence that transformational leadership is an effective form of leadership (Yukl, 1999). In a critique of transformational and charismatic leadership, Yukl reported that in studies using the Multifactor Leadership Questionnaire (MLQ) to appraise leaders, transformational leadership was positively related to subordinate satisfaction,

motivation, and performance. Furthermore, in studies that used interviews and observations, transformational leadership was shown to be effective in a variety of different situations.

CRITICISMS

Transformational leadership has several weaknesses. One criticism is that it lacks conceptual clarity. Because it covers such a wide range of activities and characteristics—including creating a vision, motivating, being a change agent, building trust, giving nurturance, and acting as a social architect, to name a few, it is difficult to define exactly the parameters of transformational leadership. Specifically, research by Tracey and Hinkin (1998) has shown substantial overlap between each of the Four I's (idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration), suggesting that the dimensions are not clearly delimited. Furthermore, the parameters of transformational leadership often overlap with similar conceptualizations of leadership. Bryman (1992), for example, pointed out that transformational and charismatic leadership often are treated synonymously, even though in some models of leadership (e.g., Bass, 1985) charisma is only one component of transformational leadership.

Another criticism revolves around how transformational leadership is measured. Researchers typically have used some version of the MLQ to measure transformational leadership. However, some studies have challenged the validity of the MLQ. In some versions of the MLQ, the four factors of transformational leadership (the Four I's: idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration) correlate highly with each other, which means they are not distinct factors (Tejeda, Scandura, & Pillai, 2001). In addition, some of the transformational factors correlate with the transactional and laissez-faire factors, which means they may not be unique to the transformational model (Tejeda et al., 2001).

A third criticism is that transformational leadership treats leadership as a personality trait or personal predisposition rather than a behavior that people can learn (Bryman, 1992, pp. 100–102). If it is a trait, training people in this approach becomes more problematic because it is difficult to teach people how to change their traits. Even though many scholars, including Weber, House, and Bass, emphasized that transformational

leadership is concerned with leader behaviors, such as how leaders involve themselves with followers, there is an inclination to see this approach from a trait perspective. Perhaps this problem is exacerbated because the word *transformational* creates images of one person being the most active component in the leadership process. For example, even though “creating a vision” involves follower input, there is a tendency to see transformational leaders as visionaries. There is also a tendency to see transformational leaders as people who have special qualities that *transform* others. These images accentuate a trait characterization of transformational leadership.

A fourth criticism some have made is that transformational leadership is elitist and antidemocratic (Avolio, 1999; Bass & Avolio, 1993). Transformational leaders often play a direct role in creating changes, establishing a vision, and advocating new directions. This gives the strong impression that the leader is acting independently of followers or putting himself or herself above the followers' needs. Although this criticism of elitism has been refuted by Bass and Avolio (1993) and Avolio (1999), who contended that transformational leaders can be directive and participative as well as democratic and authoritarian, the substance of the criticism raises valid questions about transformational leadership.

Related to this criticism, some have argued that transformational leadership suffers from a “heroic leadership” bias (Yukl, 1999). Transformational leadership stresses that it is the *leader* who moves *followers* to do exceptional things. By focusing primarily on the leader, researchers have failed to give attention to shared leadership or reciprocal influence. Followers can influence leaders just as leaders can influence followers. More attention should be directed toward how leaders can encourage followers to challenge the leader's vision and share in the leadership process.

A final criticism of transformational leadership is that it has the potential to be abused. Transformational leadership is concerned with changing people's values and moving them to a new vision. But who is to determine whether the new directions are good and more affirming? Who decides that a new vision is a better vision? If the values to which the leader is moving his or her followers are not better, and if the set of human values is not more redeeming, then the leadership must be challenged. However, the dynamics of how followers challenge leaders or respond to their visions is not fully understood.

There is a need to understand how transformational leaders affect followers psychologically and how leaders respond to followers' reactions. In

fact, Burns argued that understanding this area (i.e., charisma and follower worship) is one of the central problems in leadership studies today (Bailey & Axelrod, 2001). The charismatic nature of transformational leadership presents significant risks for organizations because it can be used for destructive purposes (Conger, 1999; Howell & Avolio, 1993).

History is full of examples of charismatic individuals who used coercive power to lead people to evil ends. For this reason, transformational leadership puts a burden on individuals and organizations to be aware of how they are being influenced and in what directions they are being asked to go.

APPLICATION

Rather than being a model that tells leaders what to do, transformational leadership provides a broad set of generalizations of what is typical of leaders who are transforming or who work in transforming contexts. Unlike other leadership approaches, such as contingency theory and situational leadership, transformational leadership does not provide a clearly defined set of assumptions about how leaders should act in a particular situation to be successful. Rather, it provides a general way of thinking about leadership that emphasizes ideals, inspiration, innovations, and individual concerns. Transformational leadership requires that leaders be aware of how their own behavior relates to the needs of their subordinates and the changing dynamics within their organizations.

Bass and Avolio (1990a) suggested that transformational leadership can be taught to people at all levels in an organization and that it can positively affect a firm's performance. It can be used in recruitment, selection and promotion, and training and development. It can also be used in improving team development, decision-making groups, quality initiatives, and reorganizations (Bass & Avolio, 1994).

Programs designed to develop transformational leadership usually require that leaders or their associates take the MLQ (Bass & Avolio, 1990b) or a similar questionnaire to determine the leader's particular strengths and weaknesses in transformational leadership. Taking the MLQ helps leaders pinpoint areas in which they could improve their leadership. For example, leaders might learn that it would be beneficial if they were more confident in expressing their goals, or that they need to spend more time nurturing followers, or that they need to be more tolerant of opposing viewpoints. The MLQ is the springboard to helping leaders improve a whole series of their leadership attributes.

One particular aspect of transformational leadership that has been given special emphasis in training programs is the process of building a vision. For example, it has become quite common for training programs to have leaders write elaborate statements that describe their own five-year career plans and their perceptions of the future directions for their organizations. Working with leaders on vision statements is one way to help them enhance their transformational leadership behavior. Another important aspect of training is teaching leaders to exhibit greater individual consideration and promote intellectual stimulation for their followers. Lowe et al. (1996) found that this is particularly valuable for lower-level leaders in organizations.

Overall, transformational leadership provides leaders with information about a full range of their behaviors, from nontransactional to transactional to transformational. In the next section, we provide some actual leadership examples to which the principles of transformational leadership can be applied.

CASE STUDIES

In the following section, three brief case studies (Cases 9.1, 9.2, and 9.3) from very different contexts are provided. Each case describes a situation in which transformational leadership is present to some degree. The questions at the end of each case point to some of the unique issues surrounding the use of transformational leadership in ongoing organizations.

CASE 9.1

The Vision Failed

High Tech Engineering (HTE) is a 50-year-old family-owned manufacturing company with 250 employees that produces small parts for the aircraft industry. The president of HTE is Harold Barelli, who came to the company from a smaller business with strong credentials as a leader in advanced aircraft technology. Before Harold, the only other president of HTE was the founder and owner of the company. The organizational structure at HTE was very traditional, and it was supported by a very rich organizational culture.

(Continued)

(Continued)

As the new president, Harold sincerely wanted to transform HTE. He wanted to prove that new technologies and advanced management techniques could make HTE one of the best manufacturing companies in the country. To that end, Harold created a vision statement that was displayed throughout the company. The two-page statement, which had a strong democratic tone, described the overall purposes, directions, and values of the company.

During the first 3 years of Harold's tenure as president, several major reorganizations took place at the company. These were designed by Harold and a select few of his senior managers. The intention of each reorganization was to implement advanced organizational structures to bolster the declared HTE vision.

Yet the major outcome of each of the changes was to dilute the leadership and create a feeling of instability among the employees. Most of the changes were made from the top down, with little input from lower or middle management. Some of the changes gave employees more control in circumstances where they needed less, whereas other changes limited employee input in contexts where employees should have been given more input. There were some situations in which individual workers reported to three different bosses, and other situations in which one manager had far too many workers to oversee. Rather than feeling comfortable in their various roles at HTE, employees began to feel uncertain about their responsibilities and how they contributed to stated goals of the company. The overall effect of the reorganizations was a precipitous drop in worker morale and production.

In the midst of all the changes, the vision that Harold had for the company was lost. The instability that employees felt made it difficult for them to support the company's vision. People at HTE complained that although mission statements were displayed throughout the company, no one understood in which direction they were going.

To the employees at HTE, Harold was an enigma. HTE was an American company that produced U.S. products, but Harold drove a foreign car. Harold claimed to be democratic in his style of leadership, but he was arbitrary in how he treated people. He acted in a nondirective style toward some people, and he showed arbitrary control toward others. He wanted to be seen as a hands-on manager, but he delegated operational control of the company to others while he focused on external customer relations and matters of the board of directors.

At times Harold appeared to be insensitive to employees' concerns. He wanted HTE to be an environment in which everyone could feel empowered, but he often failed to listen closely to what employees were saying.

He seldom engaged in open, two-way communication. HTE had a long, rich history with many unique stories, but the employees felt that Harold either misunderstood or did not care about that history.

Four years after arriving at HTE, Harold stepped down as president after his operations officer ran the company into a large debt and cash-flow crisis. His dream of building HTE into a world-class manufacturing company was never realized.

Questions

1. If you were consulting with the HTE board of directors soon after Harold started making changes, what would you advise them regarding Harold's leadership from a transformational perspective?
2. Did Harold have a clear vision for HTE? Was he able to implement it?
3. How effective was Harold as a change agent and social architect for HTE?
4. What would you advise Harold to do differently if he had the chance to return as president of HTE?

CASE 9.2

Students Dig It

Every year, Dr. Cook, a college professor, leads a group of 25 college students to the Middle East on an archaeological dig that usually lasts about 8 weeks. The participants, who come from big and small colleges throughout the country, usually have little prior knowledge or background in what takes place during an excavation. Dr. Cook enjoys leading these expeditions because he likes teaching students about archaeology and because the outcomes of the digs actually advance his own scholarly work.

(Continued)

(Continued)

While planning for his annual summer excavation, Dr. Cook told the following story:

This summer will be interesting because I have 10 people returning from last year. Last year was quite a dig. During the first couple of weeks everything was very disjointed. Team members seemed unmotivated and tired. In fact, there was one time early on when it seemed as if nearly half the students were either physically ill or mentally exhausted. Students seemed lost and uncertain about the meaning of the entire project.

For example, it is our tradition to get up every morning at 4:30 A.M. to depart for the excavation site at 5:00 A.M. However, during the first weeks of the dig, few people were ever ready at 5, even after several reminders.

Every year it takes some time for people to learn where they fit with each other and with the purposes of the dig. The students all come from such different backgrounds. Some are from small, private, religious schools, and others are from large state universities. Each comes with a different agenda, different skills, and different work habits. One person may be a good photographer, another a good artist, and another a good surveyor. It is my job to complete the excavation with the resources available to us.

At the end of Week 2, I called a meeting to assess how things were going. We talked about a lot of things including personal things, how our work was progressing, and what we needed to change. The students seemed to appreciate the chance to talk at this meeting. Each of them described their special circumstances and their hopes for the summer.

I told the students several stories about past digs; some were humorous, and others highlighted accomplishments. I shared my particular interests in this project and how I thought we as a group could accomplish the work that needed to be done at this important historical site. In particular, I stressed two points: (a) that they shared the responsibility for the successful outcome of the venture, and (b) that they had independent authority to design, schedule, and carry out the details of their respective assignments, with the director and other senior staff available at all times as advisers and resource persons. In regard to the departure time issue, I told the participants that the standard departure time on digs was 5:00 A.M.

Well, shortly after our meeting I observed a real shift in the group attitude and atmosphere. People seemed to become more involved in the work, there was less sickness, and there was more camaraderie. All assignments were completed without constant prodding and in a spirit of mutual support. Each morning at 5:00 A.M. everyone was ready to go.

I find that each year my groups are different. It's almost as if each of them has a unique personality. Perhaps that is why I find it so challenging. I try to listen to the students and use their particular strengths. It really is quite amazing how these students can develop in 8 weeks. They really become good at archaeology, and they accomplish a great deal.

This coming year will again be different because of the 10 returning "veterans."

Questions

1. How is this an example of transformational leadership?
2. Where are Dr. Cook's strengths on the Full Range of Leadership model (see Figure 9.2)?
3. What is the vision Dr. Cook has for the archaeology excavations?

CASE 9.3

Her Vision of a Model Research Center

Rachel Adams began as a researcher at a large pharmaceutical company. After several years of observing how clinical drug studies were conducted, she realized that there was a need and opportunity for a research center not connected with a specific pharmaceutical company. In collaboration with other researchers, she launched a new company that was the first of its kind in the country. Within 5 years, Rachel had become president and CEO of the Independent Center for Clinical Research (ICCR). Under Rachel's leadership, ICCR has grown to a company with revenues of \$6 million and profits of \$1 million. ICCR employs 100 full-time employees, most of whom are women.

Rachel wants ICCR to continue its pattern of formidable growth. Her vision for the company is to make it a model research center that will blend credible science with efficient and cost-effective clinical trials. To that end, the company, which is situated in a large urban setting, maintains strong links to academia, industry, and the community.

(Continued)

(Continued)

Rachel and her style have a great deal to do with the success of ICCR. She is a freethinker who is always open to new ideas, opportunities, and approaches. She is a positive person who enjoys the nuances of life, and she is not afraid to take risks. Her optimistic approach has had a significant influence on the company's achievements and its organizational climate. People employed at ICCR claim they have never worked at a place that is so progressive and so positive in how it treats its employees and customers. The women employees at ICCR feel particularly strongly about Rachel's leadership, and many of them use Rachel as a role model. It is not by accident that the majority (85%) of the people who work at ICCR are women. Her support for women's concerns is evident in the type of drug studies the company selects to conduct and in her service to national committees on women's health and research issues. Within ICCR, Rachel has designed an on-site day-care program, flextime scheduling for mothers with young children, and a benefit package that gives full health coverage to part-time employees. At a time when most companies are searching for ways to include more women in decision making, ICCR has women in established leadership positions at all levels.

Although Rachel has been extremely effective at ICCR, the success of the company has resulted in many changes that have affected Rachel's leadership at the company.

Rapid growth of ICCR has required that Rachel spend a great deal of time traveling throughout the country. Because of her excessive travel, Rachel has begun to feel distant from the day-to-day operations of ICCR. She has begun to feel as if she is losing her handle on what makes the company tick. For example, although she used to give weekly pep talks to supervisors, she finds that she now gives two formal presentations a year. Rachel also complains of feeling estranged from employees at the company. At a recent directors' meeting, she expressed frustration that people no longer called her by her first name, and others did not even know who she was.

Growth at ICCR has also demanded that more planning and decision making be delegated to department heads. This has been problematic for Rachel, particularly in the area of strategic planning. Rachel finds that the department heads are beginning to shift the focus of ICCR in a direction that contradicts her ideal model of what the company should be and what it is best at doing. Rachel built the company on the idea that ICCR would be a strong blend of credible science and cost-effective clinical

trials, and she does not want to give up that model. The directors, on the other hand, would like to see ICCR become similar to a standard pharmaceutical company dedicated primarily to the research and development of new drugs.

Questions

1. What is it about Rachel's leadership that clearly suggests that she is engaged in transformational leadership?
2. In what ways has the growth of ICCR had an impact on Rachel's leadership?
3. Given the problems Rachel is confronting as a result of the growth of the company, what should she do to reestablish herself as a transformational leader at ICCR?

LEADERSHIP INSTRUMENT

The most widely used measure of transformational leadership is the Multifactor Leadership Questionnaire (MLQ). An earlier version of the MLQ was originally developed by Bass (1985), based on a series of interviews he and his associates conducted with 70 senior executives in South Africa. These executives were asked to recall leaders who had raised their awareness to broader goals, moved them to higher motives, or inspired them to put others' interests ahead of their own. The executives were then asked to describe how these leaders behaved—what they did to effect change. From these descriptions and from numerous other interviews with both junior and senior executives, Bass constructed the questions that make up the MLQ. The questions measure followers' perceptions of a leader's behavior for each of the factors in the Full Range of Leadership model (see Figure 9.2).

Antonakis, Avolio, and Sivasubramaniam (2003) assessed the psychometric properties of the MLQ using a business sample of more than 3,000 raters and found strong support for the validity of the MLQ. They found that the MLQ (Form 5X) clearly distinguished nine factors in the Full Range of Leadership model. Similarly, Hinkin and Schriesheim (2008) examined the empirical properties of the transactional and the nonleadership factors on the MLQ and identified several ways to use the questionnaire to generate more reliable and valid results. Since the MLQ was first designed, it has gone through many revisions, and it continues to be refined to strengthen its reliability and validity.

Based on a summary analysis of a series of studies that used the MLQ to predict how transformational leadership relates to outcomes such as effectiveness, Bryman (1992) and Bass and Avolio (1994) have suggested that the charisma and motivation factors on the MLQ are the most likely to be related to positive effects. Individualized consideration, intellectual stimulation, and contingent reward are the next most important factors. Management-by-exception in its passive form has been found to be somewhat related to outcomes, and in its active form it has been found to be negatively related to outcomes. Generally, laissez-faire leadership has been found to be negatively related to outcomes such as effectiveness and satisfaction in organizations.

We present sample items from the MLQ (Form 5X-short) in this section so that you can explore your beliefs and perceptions about transformational, transactional, and nontransactional leadership. This questionnaire should give you a clearer picture of your own style and the complexity of transformational leadership itself.

SAMPLE ITEMS FROM THE MULTIFACTOR LEADERSHIP QUESTIONNAIRE (MLQ) FORM 5X-SHORT

These questions provide examples of the items that are used to evaluate leadership style. The MLQ is provided in both Self and Rater forms. The Self form measures self-perception of leadership behaviors. The Rater form is used to measure leadership. By thinking about the leadership styles as exemplified below, you can get a sense of your own belief about your leadership.

Key: 0=Not at all 1=Once in awhile 2=Sometimes 3=Fairly often 4= Frequently, if not always

Transformational Leadership Styles

Idealized Influence (Attributes)	I go beyond self-interest for the good of the group.	0 1 2 3 4
Idealized Influence (Behaviors)	I consider the moral and ethical consequences of decisions.	0 1 2 3 4
Inspirational Motivation	I talk optimistically about the future.	0 1 2 3 4
Intellectual Stimulation	I reexamine critical assumptions to question whether they are appropriate.	0 1 2 3 4
Individualized Consideration	I help others to develop their strengths.	0 1 2 3 4

Transactional Leadership Styles

Contingent Reward	I make clear what one can expect to receive when performance goals are achieved.	0 1 2 3 4
Management by Exception: Active	I keep track of all mistakes.	0 1 2 3 4

Passive/Avoidant Leadership Styles

Management by Exception: Passive	I wait for things to go wrong before taking action.	0 1 2 3 4
Laissez-Faire	I avoid making decisions.	0 1 2 3 4

SOURCE: Reproduced by special permission of the publisher, Mind Garden, Inc., Menlo Park, CA USA, www.mindgarden.com from the *Multifactor Leadership Questionnaire for Research* by Bernard M. Bass and Bruce J. Avolio. Copyright © 1995 by Bernard M. Bass and Bruce J. Avolio. All rights reserved. Further reproduction is prohibited without the publisher's written consent.

SUMMARY

One of the most encompassing approaches to leadership—transformational leadership—is concerned with the process of how certain leaders are able to inspire followers to accomplish great things. This approach stresses that leaders need to understand and adapt to the needs and motives of followers. Transformational leaders are recognized as change agents who are good role models, who can create and articulate a clear vision for an organization, who empower followers to meet higher standards, who act in ways that make others want to trust them, and who give meaning to organizational life.

Transformational leadership emerged from and is rooted in the writings of Burns (1978) and Bass (1985). The works of Bennis and Nanus (1985) and Kouzes and Posner (1987) are also representative of transformational leadership.

Transformational leadership can be assessed through use of the Multifactor Leadership Questionnaire (MLQ), which measures a leader's behavior in seven areas: idealized influence (charisma), inspirational motivation, intellectual stimulation, individualized consideration, contingent reward, management-by-exception, and laissez-faire. High scores on individualized consideration and motivation factors are most indicative of strong transformational leadership.

There are several positive features of the transformational approach, including that it is a current model that has received a lot of attention by researchers, it has strong intuitive appeal, it emphasizes the importance of followers in the leadership process, it goes beyond traditional transactional models and broadens leadership to include the growth of followers, and it places strong emphasis on morals and values.

Balancing against the positive features of transformational leadership are several weaknesses. These include that the approach lacks conceptual clarity; it is based on the MLQ, which has been challenged by some research; it creates a framework that implies that transformational leadership has a trait-like quality; it is sometimes seen as elitist and undemocratic; it suffers from a "heroic leadership" bias; and it has the potential to be used counterproductively in negative ways by leaders. Despite the weaknesses, transformational leadership appears to be a valuable and widely used approach.

REFERENCES

- Antonakis, J., Avolio, B. J., & Sivasubramaniam, N. (2003). Context and leadership: An examination of the nine-factor full-range leadership theory using the Multifactor Leadership Questionnaire. *Leadership Quarterly*, 14(3), 261–295.
- Avolio, B. J. (1999). *Full leadership development: Building the vital forces in organizations*. Thousand Oaks, CA: Sage.
- Avolio, B. J., & Gibbons, T. C. (1988). Developing transformational leaders: A life span approach. In J. A. Conger, R. N. Kanungo, & Associates (Eds.), *Charismatic leadership: The elusive factor in organizational effectiveness* (pp. 276–308). San Francisco: Jossey-Bass.
- Bailey, J., & Axelrod, R. H. (2001). Leadership lessons from Mount Rushmore: An interview with James MacGregor Burns. *Leadership Quarterly*, 12, 113–127.
- Bass, B. M. (1985). *Leadership and performance beyond expectations*. New York: Free Press.
- Bass, B. M. (1990). From transactional to transformational leadership: Learning to share the vision. *Organizational Dynamics*, 18, 19–31.
- Bass, B. M. (1998). The ethics of transformational leadership. In J. Ciulla (Ed.), *Ethics: The heart of leadership* (pp. 169–192). Westport, CT: Praeger.
- Bass, B. M., & Avolio, B. J. (1990a). The implications of transactional and transformational leadership for individual, team, and organizational development. *Research in Organizational Change and Development*, 4, 231–272.
- Bass, B. M., & Avolio, B. J. (1990b). *Multifactor Leadership Questionnaire*. Palo Alto, CA: Consulting Psychologists Press.
- Bass, B. M., & Avolio, B. J. (1993). Transformational leadership: A response to critiques. In M. M. Chemers & R. Ayman (Eds.), *Leadership theory and research: Perspectives and directions* (pp. 49–80). San Diego, CA: Academic Press.
- Bass, B. M., & Avolio, B. J. (1994). *Improving organizational effectiveness through transformational leadership*. Thousand Oaks, CA: Sage.
- Bass, B. M., & Avolio, B. J. (1995). *Multifactor Leadership Questionnaire for research*. Menlo Park, CA: Mind Garden.
- Bass, B. M., & Riggio, R. E. (2006). *Transformational leadership* (2nd ed.). Mahwah, NJ: Lawrence Erlbaum.
- Bass, B. M., & Steidlmeier, P. (1999). Ethics, character, and authentic transformational leadership. *Leadership Quarterly*, 10, 181–127.
- Bennis, W. G., & Nanus, B. (1985). *Leaders: The strategies for taking charge*. New York: Harper & Row.
- Bryman, A. (1992). *Charisma and leadership in organizations*. London: Sage.
- Burns, J. M. (1978). *Leadership*. New York: Harper & Row.
- Conger, J. A. (1999). Charismatic and transformational leadership in organizations: An insider's perspective on these developing streams of research. *Leadership Quarterly*, 10(2), 145–179.
- Conger, J. A., & Kanungo, R. N. (1998). *Charismatic leadership in organizations*. Thousand Oaks, CA: Sage.

- Downton, J. V. (1973). *Rebel leadership: Commitment and charisma in a revolutionary process*. New York: Free Press.
- Hinkin, T. R., & Schriesheim, C. A. (2008). A theoretical and empirical examination of the transactional and non-leadership dimensions of the Multifactor Leadership Questionnaire (MLQ). *Leadership Quarterly*, 19, 501–513.
- House, R. J. (1976). A 1976 theory of charismatic leadership. In J. G. Hunt & L. L. Larson (Eds.), *Leadership: The cutting edge* (pp. 189–207). Carbondale: Southern Illinois University Press.
- Howell, J. M., & Avolio, B. J. (1993). The ethics of charismatic leadership: Submission or liberation? *Academy of Management Executive*, 6(2), 43–54.
- Hunt, J. G., & Conger, J. A. (1999). From where we sit: An assessment of transformational and charismatic leadership research. *Leadership Quarterly*, 10(3), 335–343.
- Jung, D. I., Chow, C., & Wu, A. (2003). The role of transformational leadership in enhancing organizational innovation: Hypotheses and some preliminary findings. *Leadership Quarterly*, 14(4–5), 525–544.
- Kouzes, J. M., & Posner, B. Z. (1987). *The leadership challenge: How to get extraordinary things done in organizations*. San Francisco: Jossey-Bass.
- Kouzes, J. M., & Posner, B. Z. (2002). *The leadership challenge* (3rd ed.). San Francisco: Jossey-Bass.
- Kuhnert, K. W. (1994). Transforming leadership: Developing people through delegation. In B. M. Bass & B. J. Avolio (Eds.), *Improving organizational effectiveness through transformational leadership* (pp. 10–25). Thousand Oaks, CA: Sage.
- Kuhnert, K. W., & Lewis, P. (1987). Transactional and transformational leadership: A constructive/developmental analysis. *Academy of Management Review*, 12(4), 648–657.
- Lowe, K. B., & Gardner, W. L. (2001). Ten years of the *Leadership Quarterly*: Contributions and challenges for the future. *Leadership Quarterly*, 11(4), 459–514.
- Lowe, K. B., Kroeck, K. G., & Sivasubramaniam, N. (1996). Effectiveness correlates of transformational and transactional leadership: A meta-analytic review of the MLQ literature. *Leadership Quarterly*, 7(3), 385–425.
- Nemanich, L. A., & Keller, R. T. (2007). Transformational leadership in an acquisition: A field study of employees. *Leadership Quarterly*, 18, 49–68.
- Rowold, J., & Heinritz, K. (2007). Transformational and charismatic leadership: Assessing the convergent, divergent and criterion validity of the MLQ and the CKS. *Leadership Quarterly*, 18, 121–133.
- Shamir, B., House, R. J., & Arthur, M. B. (1993). The motivational effects of charismatic leadership: A self-concept based theory. *Organization Science*, 4(4), 577–594.
- Tejeda, M. J., Scandura, T. A., & Pillai, R. (2001). The MLQ revisited: Psychometric properties and recommendations. *Leadership Quarterly*, 12, 31–52.
- Tracey, J. B., & Hinkin, T. R. (1998). Transformational leadership or effective managerial practices? *Group & Organization Management*, 23(3), 220–236.
- Weber, M. (1947). *The theory of social and economic organizations* (T. Parsons, Trans.). New York: Free Press.
- Yammarino, F. J. (1993). Transforming leadership studies: Bernard Bass' leadership and performance beyond expectations. *Leadership Quarterly*, 4(3), 379–382.
- Yukl, G. A. (1999). An evaluation of conceptual weaknesses in transformational and charismatic leadership theories. *Leadership Quarterly*, 10(2), 285–305.