Transformational Leadership: Creating Step-Functional Change

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Abstract
Long has been the goal to produce leadership competence within organizations so as to have a sustainable cultural shift...a bias for leadership. But unfortunately, many leadership programs focus upon managerial skills and fail to draw a compelling distinction between the two. Transformational leadership encompasses the critical skills required to co-create an organization’s future through shared vision, ownership, creativity and community...producing breakthrough performance. Transformational leadership is required to make the mindset shift to sustainability and reinvent organizations capable of producing bottom line results in today’s volatile climate.

Transformational change creates step-function betterment of results, a discontinuous improvement. The Transformational Leadership model draws upon the body of knowledge on leadership. The model serves as the key framework in the design and formation of this workshop. At the core of the model is the ring of consciousness which addresses self, relationships and the enterprise. Moving out from the core, eight leadership attributes speak to the concept of polarity (two opposing attributes, tendencies or principles). Our research shows that as transformational leaders it is insufficient to obtain just one skill represented in each polarity. Rather, transformational leaders must discover and master the capacity to encompass the polarity, determining and calling upon the skills or quality for any given situation. In short, transformational leaders possess high-skill in the traditional managerial functions and high-skill in their capacity to envision the future, to build community, to empower people and to create.

Leadership Defined
Leaders are persons having a vision and the complimentary abilities to enroll and energize others in achieving that vision. Leaders move the organization forward to a new place. Leadership is often said to be of the spirit. They are driven by deep personal commitment to the goal at hand that cuts out distractions and addresses any unexpected barriers. (Bruch, Ghoshal, 2004) By contrast, great managers organize the current, known assets and resources to deliver upon the present mission of the organization. Skillful in the areas of analysis and administration, they are energetic in their work and demonstrate high individual performance. It is said that management is of the mind, intellect and hard work combined.

Understanding the differences is critical in seeking to build leadership skills. Often, great managers are promoted to leadership positions and are found lacking in effectiveness. The work differs, as do the skills needed to perform the work. Major management tasks can be viewed as planning, budgeting, organizing, staffing, controlling and problem solving. Likewise, key leadership tasks might be described as establishing direction, aligning people, motivating and inspiring. (Griffin, 2000)
Traditionally, organizations promote their best managers to lead transformation initiatives ("manager" is defined here as a manager of a system/subsystem, not position or title). We turn to the best of our managers to lead such initiatives because they have a deep understanding of the business itself and they are superior performers. Unfortunately, management is not transformational leadership. Great managers are not necessarily equipped as great leaders of transformational change. The Transformational Leadership model was designed to illustrate and generate thinking about the full range of skills and qualities needed to be a transformational leader.

**Producing Breakthrough Results**
Transformation describes step change improvement in results. While standardization and continuous process improvement create the results of reduced variation and incremental improvement, transformation generates breakthrough change, including a new future for the organization. So like standardization and continuous process improvement, transformation is determined and measured by the results produced, not simply by acclamation. (Hacker, Johnson, Jouslin de Noray; 2001)

**Standardization** is a management activity, since it establishes predictable, routine processes and outputs. Standardization methodologies can be seen in the ISO approach. Standardization implies conformance to an established norm or procedure. When we standardize a work process, the purpose is to reduce variation in the output or product of that process. As such, the standardization mindset, or mental model, is oriented toward establishing regularity and sameness. The desired result is to predict performance by establishing specifications and procedures that can be applied consistently over time to reduce waste and increase reliability/usability.

**Continuous Process Improvement (CPI)** is a critical element in the arsenal of change. With respect to process improvement, the aim is to either continuously or radically alter how that process is performed and its corresponding outputs. In a statistical sense, standardization is about reducing variation, while improvement is about shifting the mean. Continuous improvement entails a mindset geared toward problem solving - determining root causes of inferior performance, converging on a solution, and systematically implementing that solution. Continuous improvement methodologies are abundant and all follow a plan-do-study-act framework.

**Breakthrough Improvement** is producing discontinuous change, a radical shift in the results. It
can occur with the seizing of a technology skip or formation of a new market. But always the testimonial to breakthrough is found in the results produced.

Standardization allows the organization to build upon a strong foundation of successful procedures while removing the non-value-added variations in performing daily work. By contrast, continuous improvement efforts are aimed at achieving gradual, positive changes in performance, and breakthrough efforts are intended to accomplish radical, step-function performance changes. Whereas standardization falls within the realm of management and requires an investment of the mind, the work of improvement – continuous and breakthrough alike - require leadership…an investment of the spirit. (Hacker, Johnson, Jouslin de Noray, 2001)

With breakthrough, the primary mental model is one of creation, bringing something into existence. In the case of continuous improvement the opportunity is often found in making something disappear, such as performance problems or barriers. Breakthrough improvement is arguably the least understood yet most critical type of change work.

Transformation Leadership Model
Key leadership styles, skills and qualities have been captured in list after list, book after book. Therefore, the intent is not to present the list of all lists, but rather share a holistic model inclusive of many concepts and leadership qualities. The approach presented seeks

Transformational Leadership Model
to synthesize the body of knowledge using a single integrated model. This model captures the need for transformational leaders to create personal and collective consciousness, to possess an internal and external focus, to understand that a continuum of change exists, to grasp the perspectives from which to view change, and to realize the polarity of skills required to lead transformational change.

The holistic nature of the Transformational Leadership Model draws upon the concept of competing values framework (Quinn) where the quadrants at first seem to carry a conflicting/opposing meaning. The challenge is to see the particular skills required in each quadrant while standing in appreciation of the whole. It is through better understanding of how a leader can integrate these skills that significant growth can occur.

**Consciousness** at the scale of individual, group and organization is at the heart of leading transformational change. Having an awareness of one’s environment and one’s own existence, emotions, sensations and thoughts is a prerequisite to becoming a transformational leader within any organization. Clarity of purpose, values and direction in life are imperative to deliberate and productive growth. Effective transformational leaders within organizations have developed self-mastery and are clear about the connection of their personal vision with the vision of the organization.

Consciousness of self opens the door to awareness or consciousness within a group. As individuals join together for a purpose, consciousness allows them to collectively monitor and openly discuss the group behavior, attitudes, aspirations, opinions, motives or judgments that contribute to or hinder the group’s progress.

Conscious individuals forming conscious groups working toward a shared purpose and vision are vital ingredients to creating a conscious enterprise. Consciousness of enterprise is seen when the entire organization has the ability to reflect and learn.

**The Ring of Mastery** captures three vital perspectives that must be considered and influenced on the road to change. These perspectives are self-mastery, people mastery and enterprise mastery. Self-mastery includes clarity of purpose, vision, planning, meditation, reflection and feedback. For transformational leaders self-mastery extends beyond self to a commitment that others walk a path to self-awareness. Transformational leaders are engaged in the lives of the people in their organizations encouraging personal growth, feedback, continuous learning and mentoring. Our experience ties the most successful transformation initiatives to leaders who are committed to their own self-awareness and mastery and to assisting others in the same process.
Collective consciousness and skill development in team dynamics is another key perspective that can be leveraged to create transformational or breakthrough change. Interpersonal or people mastery requires both personal consciousness and collective consciousness. Developing awareness and better skills in how one interacts with others is a lifelong journey and commitment to personal growth. It involves building trust with others and developing effective communication skills. Developing collective consciousness and people mastery within a team/organization requires individual consciousness and an understanding of the attitudes, behaviors, beliefs and assumptions of the collective in addition to developing skills in group dynamics. Relationship management, trust, management of agreements and effective communication are vital to the development of consciousness, mastery and effectiveness at the group level.

Not surprisingly, enterprise mastery speaks to collective consciousness of the people working within the organization and among its broader stakeholders…a consciousness of shifting value exchanges to which the organization is a party. Understanding the reason for the organization’s existence and its ‘license to operate’ are key components. Called upon are the skills and capacity of the organization’s leaders as chief architects and engineers for business, accomplished through strategic planning and design. Also, competence is required in the areas of benchmarking, organizational culture, process improvement, motivation systems, evaluation and measurement of performance.

Furthermore, four essential cornerstones: 1) personal mastery, 2) interpersonal mastery, 3) change methodology, and 4) value exchange, must underlie any organizational transformation initiative. Together, these cornerstones provide leaders with a framework with which to create alignment and breakthrough improvement. When addressed concurrently, the cornerstones eliminate the isolation of single-purpose approaches and create more effective, integrated change initiatives (Hacker, S. and Wilson, M.).

**Internal and External Focus** speaks to the need of the leader to be broad minded. Transformational leaders must possess an internal and external focus on the affects of breakthrough change. The internal view points to understanding and appreciation for how the change is experienced within the organization. The external view requires leaders to understand how the change impacts persons and systems outside the organization.

**Focus on a Continuum of Change** is shown in the vertical axis of the model, speaking to the variety of scale within organizations. The bottom of the axis is a focus on standardization, the top a focus on change. Transformational leaders are able to hold this continuum in mind and make decisions about the kinds of change needed to achieve the vision and goals of the organization. Simply put they cut through the confusion about the kinds of change needed. Transformational
leaders recognize that standardization allows the organization to build upon a strong foundation of successful procedures while removing the non-value-added variations in performing daily work. Continuous improvement efforts are aimed at achieving gradual, positive changes in performance. Finally, breakthrough efforts are intended to accomplish radical, step-function performance changes. Standardization and continuous improvement are largely within the realm of management and requires both an investment of the mind and problem solving expertise. Breakthrough improvement requires transformational leadership...an investment of conscious commitment/spirit by an individual, group and organization. Transformation leverage all three.

Not One or the Other: Rather Skill Polarities
The leadership aspects noted in the model speak to the concept of polarity (two opposing attributes, tendencies or principles). It is insufficient to obtain just one end of the spectrum described in the dyad presentation the skill/characteristics. Rather, transformational leaders must discover and master the capacity to encompass the entire range, determining and calling upon the best skill or quality for any given situation. Transformational leaders are designers, stewards and teachers. They are responsible for building organizations where people continually expand their capabilities to understand complexity, to clarify vision and to improve mental models. (Senge, P)

Energetic (Power within) ↔ Empowering (Powering Others)
Many great managers have a high capacity to find and employ energy from within. They knock down barriers to getting the job done. The depth of the spring of energy available to an individual is often connected to the person’s understanding of a larger purpose for self and their connection to the larger world. Clarity of personal purpose, vision and values are critical to accessing, sustaining and renewing energy from within.

One’s individual relationship to the world also plays a powerful role in one’s ability to source energy from within. Some people do not see themselves connected to the world, particularly their role in creating the pain, frustrations and problems they have in life.
These individuals live at the mercy of the events of life. They live in hope that good fortune will eventually come their way. “At-effect” individuals see themselves as victims. They believe things happen to them. They experience events as occurring outside of their control. This view of the world is an emotional and mental drain on one’s life energy. (Hacker, Wilson; 1999)

Other people choose to see their connection to all that surrounds them. Their primary mental model is one of creation. They see themselves as accountable for making things happen around them, the good, the bad and the ugly. These individuals own it all, the failures and the achievements. This “at-cause” view of the world can powerfully sustain the source of a person’s life energy. Rather than experiencing depletion of energy as a result of failure and problems, at-cause individuals use each opportunity to learn and to grow stronger.

The transformational leader empowers others by creating alignment and attunement toward a shared vision and specific measures for success. With this in hand, the empowering leader promotes creativity, trust, fun and opportunity to his/her staff as they work to achieve that shared vision. In our view empowerment can occur only when others within the organization are connected to their own unique sense of purpose. Gaining mastery in empowering others often requires a fundamental shift in one’s beliefs, attitudes and assumptions about work. (Guillory, B. and Galindo, L.) Helping individual’s to discover their life’s purpose and how this is connected to their work is a new concept for many, but it is a key ingredient to empowerment. Leaders are required to- understand the unique dreams and talents of their employees to achieve mastery in empowerment.

**Administrative** (Working Inside the Box) ↔ **Creative** (Working Outside the Box)

Great managers have mastered the skill of administration, specifically their overall understanding of how the business functions, including work systems, process systems, people systems and strategies for administrative control. The day-to-day job requirements of a manager are such that this knowledge and these skills are called upon time and again leading to mastery in the administrative area. Typically, control standards are established for the organization, the systems and performance allowing managers to direct the efficient and effective use of the organization’s resources overtime (Haslett, J.W.). Great managers use these standards as administrative controls to ensure that the organization achieves its overall strategy and vision.

The word “essence” describes one’s inner creative potential and resource about (Ray, M. and Myers, M.). This essence provides the quality of intuition, will, joy, strength and compassion at the heart of one’s creative base. When engaged in creativity it is important to bring consciousness to the nature of being versus having and doing. Consciousness of life purpose, meditation and conversation about one’s values and aspirations all grant admission to the unique nature one’s own being. Creativity also requires you to detach from outcome expectations so that you can broaden your thoughts and ideas.
Creativity at the collective level can be limited or expanded by an organization’s own view or preconceptions about who will be creative, what they will do, and when and how they will do it (Robinson, A. and Stern, S.). Transformational leaders are able to give up their preconceptions about who, what, when and how. Rather they openly and graciously hold a world-view that all human beings possess a unique creative essence that can and should be resourced.

Analytical (What Is) ↔ Visionary (What Can Be)
The analytical manager sees patterns and cause/effect relationships, understanding reasons for existing performance. There are a number of related skills used by managers to analyze and better understand cause/effect relationships so that course corrections can be made. These related skills include, but are not limited to, research, budgeting, strategy, competitive analysis, benchmarking, and performance measurement. Performance measurement systems can be particularly powerful in bringing focus to several meaningful indicators that allow managers to understand how well the organization is performing.

While great managers often possess analytical and related skills in spades, these same managers may not have the visionary skills needed to lead transformation. Through their study of the most successful companies of our time, Collins and Porras have found that a vision is essential to the success of an organization. According to Collins and Porras the vision, or envisioned future, consists of two parts: an audacious goal and a vivid description. At the level of individual a fundamental shift in one’s relationship to results is needed to allow for the creation of audacious goals. Many of us have had years of training in managing risk by imposing artificial limits on what we think we can achieve to ensure always hitting the mark. Powerful visioning requires the willingness to dream, risk and aspire to something greater that you think is possible to achieve. This can only be accomplished through a fundamental shift in our personal relationship to results such that we embrace failure, rather than avoid failure, by seeing it as an opportunity to learn and grow.

The visioning process requires the ability to paint vivid descriptions. Many leaders truncate the visioning process or limit vision creation to the top management level, failing to involve the entire organization. This is why visions often lack meaning and understanding for the rest of the organization. The vision needs to be translated into unique and personal meaning for all in the organization to yield its true strength.

Performer (Results Producer) ↔ Community Builder (Results through Many)
High performing managers are often distinguished by their proactive “can-do” attitude. Generally they are highly organized around priorities. They seek to improvement themselves through self-study, personal/interpersonal mastery programs and executive coaching. In addition, they employ the Covey principle of seeking to understand first, then to be understood in their relationships with colleagues and staff.

The skill of community building exceeds personal performance on the job. It can include relationships with direct reports, but it often exceeds staff to include a broader group of
people and organizations. Community building promotes trust and alignment, capitalizes on diversity to achieve greater goals. The essence of community building is the sense of building a common destiny. (Chadima, D. and Hulin, G) The African wild dog is a master of community building, working with others to achieve its goal.

Community building involves a connection to other organizations and the broader community where the organization resides and beyond. Community building is perhaps the most underutilized and underdeveloped skill of leaders in organizations around the world. Think outside the team, outside the organization. Solicit the world to support the vision.

**Conclusion**

Transformation is a step function change in desired performance results. To produce organizational transformation, strong transformation leadership skills are required. However, many confuse managerial skills with leadership skills…they are different. The Transformation leadership model describes the dynamic nature of transformation leadership and required skills. The model points to the additional skill to strong management needed to demonstrate transformational leadership.

**References**