



SO REMIND ME, WHAT IS TRANSACTIONAL & TRANSFORMATIONAL LEADERSHIP

Two practical definitions

Transactional Leadership focuses on the completion of tasks and the maintaining of good working relations between employer and employee for fair exchange of desirable rewards. The 'followers' are motivated by the leaders' promises, rewards and/or threats of disciplinary action or punishment.

Transactional Leaders....

- Get engrossed in position, power and politics
- Get bogged down in daily routine
- Tend to have a short term view and focus on hard-data to support their actions
- Tend to focus on treating the symptoms of problems rather looking in to their real cause
- Are more concerned with achieving the expectations of their role by working effectively within the current system
- Build on a human need to make a living and get a job done

However as a manager, or a leader, it is now not enough to be only good at **what you do**. The key differentiator for organisations to stay competitive now is about engaging *willing followers* who proactively seek to shape, influence and contribute to the way the business grows. Transformational leaders can be found at any level in an organisation and within any organisation. They are people who have a motivator effect on others. Their willing followers feel loyalty, trust, admiration and respect towards the business leaders and are inspired to do and achieve much more than they were originally expected to achieve.

Transformational Leaders...

- Focus on the 'bigger picture' and long term goals and ensure that their daily actions contribute to their aim and mission
- Are more concerned with values, principles, morals and ethics
- Aim to meet long term goals without short-cutting human values and principles
- Work at separating causes and symptoms and focus their attention on prevention
- Identify and develop new talent and encourage and recognise significant contributions from others
- Build on a human need for meaning and understanding

In reality it is a balance, in that both kinds of leadership are necessary. However, it will be those organisations that are focusing on developing *transformational* leaders now, that will survive, evolve and