

## 4. Discussion

Leadership is a subject that has long excited interest among people. ... Much of our description of history is the story of military, political, religious, and social leaders who are credited or blamed for important historical events, even though we do not understand very well how the events were caused or how much influence the leader really had. (Yukl, 2002, p. 1)

Roughly in the 30s of the last century, researchers began to systematically examine how leaders exert influence on their followers (which is one basic definition of leadership). Theories concerning the leader's traits or behavior emerged. Later on, features of the situation or the subordinates became central points of the examination of leadership. The focus of research on leadership shifted away from an exclusive behavioral approach. With the so-called new leadership theories, well-known features of leadership were reconsidered. The idea of a genuinely new approach or facet of leadership, however, is only transported by the label.

“Transactional practices were the traditional focus of attention for leadership theorists until the early 1980's. Disillusionment with the outcomes of that focus, however, gave rise to number of alternative approaches, among them transformational leadership” (Leithwood, Tomlinson, & Genge, 1996, p. 788). Transformational leadership, that can be considered one of the most prominent new leadership theories, as in the conception of Bass (1985) for example, reverts to a mere behavioral approach. Only one scale considers the charismatic aspects of the leader that are not directly based on his behavior. Although this facet of charisma is supposed to come into being through attributional processes (hence the name idealized influence attributed), those underlying processes are not explained nor examined. The rest of the transformational scales all refer to the leader's behavior. The statement of Alimo-Metcalfe and Alban-Metcalfe (2001) that “while the formal and empirical study of leadership began around the 1930s, the early 1980s witnessed a major paradigm shift in approaches to leadership, from ‘transactional’ to ‘transformational’” (p. 1) has therefore to be second-guessed. The nature of research (Kuhn, 1976) did not change fundamentally, as the *old* methods and theoretical backgrounds are used again. The transformational approach to leadership –

taking the leader's behavior as a basis – is still examined with the already known questionnaire design. Hence, strictly seen, a paradigm shift did not take place.

Taking a closer look at the contents of the transformational leadership approach, recurrences to the leadership approaches described in chapter 2 are detectable. The parallel to former behavioral or style approaches has already been mentioned and is, in my opinion, obvious. Furthermore, motivational aspects are also taken into account, as the transformational leader is supposed to elevate the subordinates to higher levels in the Maslow hierarchy of motivation. On the other hand, important conclusions from other research streams have not been considered. The theoretical papers of Bass and research findings concerning transformational leadership (mostly of the researcher group surrounding Bass) evoke the impression that transformational leadership is universal. Contingencies moderating the effect of transformational leadership on several outcomes have been examined less than the overall effect. On the other hand, elements of the path-goal theory, namely setting goals, are not included in the transformational/transactional approach. Although Avolio (1999) attenuates *the* full range of leadership to *a* full range of leadership, a lot of important leadership facets are missing.

Furthermore, other conceptions of transformational leadership emphasize different aspects of transformational leadership behavior (see e.g. Podsakoff et al., 1990). A common understanding of what is important for this special facet of leadership is still pending, probably because of the (hidden) claim that an omnipotent leadership theory is being proffered – and, as a result, the sinking of contingencies into oblivion is guaranteed. Other sub-facets of transformational leadership, one could argue, might be more situation-specific. However, situational aspects are important in the research into leadership effectiveness. The results provided by Keller (1992), for example, suggest that transformational leadership is effective in the more innovative research groups and less effective in development groups that more often modify already existing products or processes. Additionally, InS was even more important for the effectiveness of the development group than transformational leadership. The proposed universality of the transformational approach and superiority over the *old* leadership theories is therefore called into doubt. Furthermore, it has not yet been satisfyingly researched nor theoretically embedded as to why strong situations are impedimental for

transformational leadership (Gebert, 2004) whereas change and ambiguous tasks improve its effectiveness (Wegge, 2004).

Another topic that has to be examined further is the overlapping of transformational leadership and charisma. As already mentioned, some authors do consider these approaches to be interchangeable (e.g. Felfe, 2005). Bass and his colleagues, however, point out that the “purely charismatic [leader] may want followers to adopt the charismatic’s world view and go no further; the transformational leader will attempt to instill in followers the ability to question not only established views but eventually those established by the leader” (Bass & Avolio, 1985, p. 14, cited by Robbins, 2005). Furthermore, they argue that charismatic leadership is only one part of transformational leadership; the latter, however, also contains the behavioral facets of intellectual stimulation and individualized consideration. Recent research shows that both, charismatic and transformational leadership, augment each other in the prediction of effectiveness outcomes (Rowold & Heinitz, in review), and have a differential focus on leadership behaviors on top of the many components they share.

Therefore, the here focused on transformational leadership theory by Bass (1985) shows several deficiencies in my opinion. Although it is based on the theoretical framework by Burns (1978), one gets the impression that later developments simply rely on an empirical rationale. The first detected sub-facets of transformational leadership are due to the responses of several male South African senior executives, the splitting of MbE into an active and a passive part is mainly due to ambiguous results when dealing with the MbE scale. Finally, as already mentioned, the division of charisma into an attributional and a behavioral part results from uttered criticism but is, in my opinion, not theoretically embedded in an adequate way. The aforementioned important situational factors that moderate the effectiveness of transformational leadership should also be embedded in the theoretical framework.

For assessing transformational and transactional leadership, however, the MLQ is the most widely used instrument. It has been the focus of many investigations, examining its factorial structure or its relation to external criteria. In order to be able to judge the value and usefulness of a questionnaire, the examination of its validity is important. As the construct validation of an instrument is an ongoing business, this study also aimed to shed light onto several aspects of the validity of the MLQ, especially as earlier findings are not always concordant with each other (see chapter 2). Although the German version

of the questionnaire was used, and the results are therefore mainly valid for this culture-specific version, the findings concerning the culture-comprehensive value of the transformational approach (Brodbeck et al., 2000; Kuchinke, 1999) allude to a generalization of the obtained results onto other versions.

The here investigated facets of the MLQ's construct validity include the factorial validity, its most criticized aspect, the relation to other leadership behavior questionnaires and the relation to external criteria. The results of this study were already discussed in the method section (chapter 3), but are briefly summarized here in order to provide the basis for an advanced and comprehensive discussion.

The high correlations of the transformational scales and in parts transactional scales is once more confirmed in this study, and, together with the unsatisfying results concerning the confirmation of the nine-factorial model using CFA, led to an examination of an alternative factorial structure. The analyses resulted in a three-factorial model with fewer items, differentiating between charismatic goal orientation, management by exception, and passive-avoidant leadership. Taking a look at the transformational factor of charismatic goal orientation, one can see that the contents that remain are motivation, consideration and charisma – all of these concepts have already been described in earlier leadership theories and are exclusively behavioral items.

The reduction of items seems to be a common strategy, as for example Tejada et al. (2001) also reduced the number of items in order to achieve a good fit for their model. The here undertaken reduction also led to an omission of transformational scales. Yet, these results do not deny the importance of these transformational behaviors. As regression analyses show, these facets do have an important impact on several outcomes (Bycio et al., 1995). It merely seems, as already mentioned, that the transformational facets can not be differentiated with the MLQ, and the empirical rationale suggests omitting three scales.

It is clear, though, that the three-factorial model proposed here relies solely on empirical values. It should be merely understood as a proposal for what the actual items of the MLQ can differentiate between. In order to assess transformational and transactional leadership in an all-embracing manner, new items have to be developed following a discussion about the important contents of these facets of leadership behavior as no

general agreement exists about the contents of both the transformational and the transactional leadership behaviors.

However, some facets of transformational leadership seem to be acknowledged throughout the literature. The original scales of the MLQ and the TLI mostly show high correlations and underline the convergent validity of the MLQ. Especially the so-called core transformational leadership facets (Podsakoff et al., 1990) show high convergence with the transformational scales of the MLQ. Yet, the scales tapping the same contents (as for example IS and PIS) do not show higher correlations with each other than with the other transformational scales. Furthermore, the transformational scale HPE does not show high correlations with the transformational scales of the MLQ. Nevertheless, the MLQ transactional facet MbEa correlates highest with this scale. This further emphasizes the need for a new discussion about the contents of transformational and transactional leadership and their differentiation. The high correlations between the MLQ and LBDQ scales also underline the convergent validity of the MLQ – both measure leadership behavior. Yet, the less high correlations with InS are in support of the aforementioned deficiency of the full range of leadership model, the missing of planning or structuring tasks. However, a better differentiation to the LBDQ scales would be desirable, especially as C shows correlations with transformational leadership that range from  $r = .55$  bis  $r = .72$ . The more so as transformational leadership is proclaimed as a new and superior leadership paradigm to this older behavioral approach.

Taking a look at the effectiveness of transformational leadership, here measured using regression analyses, the augmentation effect is confirmed. Furthermore, transformational and transactional leadership do explain significant amounts in the tested criteria. The high positive correlations of the transformational scales with COM-emo and SAT-job and the non-significant resp. small correlations with COM-con also underline the validity of the instrument. In comparison to the other examined leadership questionnaires, the MLQ transformational scales add significant variance for the external criteria. However, the transformational scales of the TLI also augment the transformational scales of the MLQ, showing that certain important and effective leadership behaviors are not part of the MLQ. Concerning the importance of the MLQ subscales, motivating and considering (IM and IC) seem to be most important for the

prediction of leadership success as measured using satisfaction and affective commitment.

The three-factorial model, as expected, does not show any diverging results. The correlational pattern seems to be more differentiated, as the highly correlated scales collapsed into one factor. The comparison of the amount of explained variance in the tested criteria with the nine-factorial model shows some losses in  $R^2$  that are, however, not significant. Yet, there is a loss in information in comparison to the nine-factorial model, as charismatic goal orientation does not augment the transformational scales of the TLI. Therefore it seems that the contents of this scale represents the common sense on transformational behaviors assessed with the TLI and the MLQ. On the other hand, the three-factorial model still augments the LBDQ scales.

All in all, the validity of the MLQ has to be second-guessed. This, however, is mainly based on the results concerning the factorial structure of the questionnaire. As could be shown, the proposed structure can not be confirmed. Furthermore, this result is in line with many other studies introduced in chapter 2.3.2. One of the main reasons for this are the high intercorrelations of the transformational scales – and furthermore of the transformational scales and CR. The authors of the instrument, however, emphasize the importance of the separate sub-facets for training purposes (Bass & Avolio, 2000). However, this importance has, to date, not been examined. The results presented here propose that mainly two transformational facets are important for the external criteria. In order to examine the value of the sub-facets, studies with an experimental design would be useful. These could, for example, compare the long-term effects of leadership training in one facet to training in another facet as well as to the effects of non-trained leaders or leaders that were trained in InS and C behavior. Furthermore, a way to clarify the importance of IIA (as this is attributed influence, it should be hard to be trained) has to be found. Although IIA was only important for the prediction of one of the criteria, it nearly always showed the highest or second highest correlations with either the leadership facets or the external criteria. Furthermore, it is the only scale that, in the EFA, goes together with the core transformational leadership facets identified by Podsakoff et al. (1990). The importance of experimental studies within the research of transformational leadership is also emphasized by Brown and Lord (1999), who, in addition, argue that the delivery style of leadership behavior is important but, to some extent, nonconscious. Moreover, the mediating role of other facets of organizational

behavior, as for example examined by Bass et al. (2003), should also be more thoroughly studied. But not only organizational facets, also personal factors such as the interpersonal affect (Brown & Keeping, 2005) or the personality of the subordinate (Bono & Judge, 2004), can be important for the judgment of leadership and its effectiveness and therefore the relation of these, especially for survey studies.

The content validity of the MLQ has to be further discussed due to several reasons. First of all, as already mentioned, merely collecting statements concerning transformational leaders of only male South African senior executives might not display the whole universe of behaviors that can be considered transformational. Although it is not possible to grasp the entire universe of transformational behaviors, a mere male reflection of the topic will not be adequate or complete. This is underlined by many findings that, on the one hand, male and female leaders behave differently (Eagly, Johannesen-Schmidt, & van Engen, 2003), and, on the other hand, that the perception of successful leadership is quite different between male and female followers as well (Sczesny, 2003). Although the commonness of female leaders in the late 1970s/early 1980s is not comparable to the situation we have today, and the consulting of female leaders was therefore more difficult, a refinement of the contents of the full range of leadership model on the basis of female statements could still be undertaken. Furthermore, as already mentioned, the content of transformational leadership is defined in a variety of ways by different authors. A refinement of the contents of the MLQ or the transformational theory by Bass could also be undertaken on the basis of a comparison with these.

The investigation presented here, however, is limited to the examination of concurrent validity aspects. This also implies the problems that occur when percept-percept measures are taken to determine relations between the leadership concept and the here chosen criteria. Common-method and common-source biases involve the possibility of overestimated relations. The examination of the predictive validity, though, is an important factor for the determination of the usefulness of the transformational/transactional approach and the superiority over alternative leadership approaches this approach gets imputed. Hereby, the issue of the importance of the sub-facets of transformational leadership could be more thoroughly clarified. Keller (1992), for example, examined the relation of transformational leadership and effectiveness in a longitudinal design. In his study, it is “reasonable to suggest that subordinate

perceptions of charismatic leadership or intellectual stimulation may have followed project group success. Of course, the more plausible, a priori hypothesis based on Bass' (1985) theoretical formulation was supported: that is transformational leadership predicts performance" (pp. 499/500). Here, experimental research would also help to clarify the direction of causality and possible reciprocal effects that are, to date, not yet satisfyingly examined. This would be in line with the conclusions of Schriesheim and Kerr (1977) that, although the concurrent validity of leadership questionnaires was acceptable in terms of significant correlations with external criteria, the predictive validity, however, can only be tentatively concluded. Furthermore, implicit leadership theories and imperfect perceptual-memory processes can produce systematic errors in the ratings of leadership questionnaires (Lord, Binning, Rush, & Thomas, 1978); the possibility of fudging attitude measurements within leadership questionnaires is also commonly known (Fischer, Frey, & Greitemeyer, 2004, Schriesheim et al., 1993). Alternative measurement approaches should therefore be taken into account for future research projects. This would also open the possibility of applying the multitrait-multimethod approach (Campbell & Fiske, 1959) to further examine the convergent and discriminant validity aspects of transformational leadership.

Not only due to the merely correlational approach and the restriction to concurrent validity aspects, this investigation is limited. Furthermore, one has to note that only two criteria were chosen for the examination of convergent validity aspects. The organizational day-to-day life, however, is composed of several other important facets as well. Most important are the objective criteria that were not investigated here. Nevertheless, the obtained results are in full confirmation of other, also meta-analytic, results presented in chapter 2. Although a more thorough examination of more convergent as well as discriminant criteria is desirable, the high consistency of the positive correlation of transformational leadership with positive external criteria support the results of this investigation and allow a certain degree of generalization. On the other hand, taking objective criteria or criteria that measure the degree of a structured organizational process, which might also be considered positive, the comparison with the old-fashioned approach of C/InS might lead to a result that is not as clearly in favor of the transformational facets as is the result of the subjective and affective criteria SAT-job and COM-emo. Here, further research is also needed. Finally, this investigation is limited due to its constricted composition of samples. All data presented



here refer to public administrations. A meta-analytic comparison of public and private organizations did not identify significant differences in the relation of transformational leadership to effectiveness outcomes (Alban-Metcalfe & Alimo-Metcalfe, 2000; Lowe et al., 1996). The requirement of, for example, high performance expectations, however, might be different for these in comparison to commercial resp. profit organizations. Hence, a comparative investigation of the relation of the MLQ and TLI scales in public and profit organizations seems necessary in order to clarify the contents of transformational leadership.

Cascio (1995) suggests that, with the globalization of markets, the increasing diversity of workforces, and the emphasis on time as a critical element in an organization's ability to compete, the need for developing transformational leadership skills and competencies has never been greater. The augmenting effect of transformational leadership and the universally confirmed relation to positive outcomes support this suggestion. However, I do agree with Hinkin and Tracey (1999), who, as already mentioned, stated that "The results from the current and previous research suggest that perhaps Bass and his colleagues have developed a good theory of transformational leadership, but they have not designed a measure that assesses it very well" (p. 112). It is of necessity, therefore, to reconsider the elements of transformational leadership and the ways of assessing these.