

Transformational leaders make followers more aware of the importance and value of the work and induce followers to transcend self-interest for the sake of the organization. The leaders develop follower skills and confidence to prepare them to assume more responsibility in an empowered organization. The leaders provide support and encouragement when necessary to maintain enthusiasm and effort in the face of obstacles, difficulties, and fatigue. As a result of this influence, followers feel trust and respect toward the leader, and they are motivated to do more than they originally expected to do.

The empirical research relevant for the theories of transformational leadership has generally been supportive, but few studies have examined the underlying influence processes that account for the positive relationship found between leader behavior and follower performance. More research is needed to determine the conditions in which different types of transformational behavior are most relevant and the underlying influence processes that explain why the behaviors are relevant.

The theories of transformational and charismatic leadership emphasize that emotional processes are as important as rational processes, and symbolic actions are as important as instrumental behavior. These theories provide new insights into the reasons for the success or failure of leaders, but the underlying explanatory processes in these theories do not provide a sufficient basis for a theory of strategic leadership in organizations. To understand how leaders can influence an organization's financial performance and survival, it is also necessary to examine organizational processes and aspects of strategic management not explicitly described in most charismatic and transformational theories. These subjects are discussed in Chapters 10 and 12.

Review and Discussion Questions

1. Briefly describe the attribution theory of charismatic leadership.
2. Briefly describe the self-concept theory of charismatic leadership.
3. Briefly describe the psychoanalytic and social contagion theories.
4. What influence processes are emphasized by each charismatic theory?
5. What behaviors are generally associated with charismatic leadership?
6. What is routinization of charisma, and how is it accomplished?
7. What problems are charismatic leaders likely to create for an organization?
8. In what type of situation is a charismatic leader most likely to be beneficial?
9. Briefly describe the theory of transformational leadership proposed by Bass.
10. What are some similarities and differences between charismatic and transformational leadership?
11. What new insights are provided by the theories of transformational and charismatic leadership?
12. What can leaders do to become more transformational?

Key Terms

- charisma
- charismatic leadership
- empowering
- idealized influence
- inspirational motivation
- intellectual stimulation
- internalization
- personal identification
- role modeling
- routinization of charisma
- self-concept
- self-efficacy
- social contagion
- social identification
- symbolic action
- transactional leadership
- transforming leadership
- transformational leadership
- vision

CASES

Marsha Brown was the new manager of an urban office of Metro Bank. She was experiencing low productivity than expected. One of the reasons was that the office was serving as a training center for new hires who needed experience or assistant branch manager here for training. When she found a low level of competence out of the branch office, she began moralizing to the less motivated assistants, who felt explicit personal reward in training. She was checking with her boss at corporate headquarters that it would be impossible for her branch to be considered to be essential for operations in Metro Bank.

During her first few weeks, Marsha got to know her employees. She reviewed performance with each employee in order to learn about the person's capabilities. She learned that many of the employees were quite capable and could have done much more. They had never seen them before where in the organization. She had a unique vision for the office that would integrate the new employees with the objectives of the development program, and it would serve the bank's customers. She decided on the following strategic plan for the branch that best developed the employees while still offering quality service. From this decision, she made several changes. First, Marsha declared

10. What tactics are used more initially, and which ones are used more after an initial influence attempt has met resistance?
11. Which influence tactics are most likely to result in commitment by the target person?

Key Terms

- agent
- apprising
- coalition
- coercive power
- collaboration
- commitment
- compliance
- consultation
- ecological power
- exchange tactics
- expert power
- information power
- ingratiation
- inspirational appeals
- instrumental compliance
- internalization
- legitimate power
- legitimating tactic
- personal appeal
- personal power
- position power
- pressure tactics
- proactive influence tactic
- rational persuasion
- referent power
- resistance
- reward power
- role modeling
- scope of authority
- simple request
- social exchange theory
- strategic contingencies theory
- target person

CASES

Restview Hospital

Mary Carter was the accounting manager at Restview Hospital, a large residential health care facility. The facility administrator, Jack Morelli, explained that he wanted to modernize Restview's system of accounts billing. He asked Mary to investigate available software packages that would be compatible with their computer system. Jack explained that he and the Restview board of directors would like to make a decision about this matter at the board meeting next month.

A week later, Jack asked Mary about her progress, and she reported that she had identified two vendors with appropriate software packages. Jack asked why her list of potential vendors did not include Standard Software Systems, the vendor from which they purchased the software currently used to process Restview's payroll. Standard had just recently developed a software package for accounts billing as a new addition to their product line, but few hospitals were using it. The

preliminary information gathered by Mary suggested that Standard's software package was less appropriate for Restview than the packages offered by the other vendors. However, Mary knew that the president of Standard Software was a personal friend of Jack, and she agreed to include Standard among the vendors selected for further consideration.

During the next two weeks, sales representatives from each vendor were invited to make a presentation at Restview to demonstrate and explain their product. Mary had planned to invite the board members to these presentations, but Jack said they were too busy to attend. When the presentations were held, Mary and her office staff asked many questions, but Jack looked bored and said very little. Mary also visited some other hospitals that were already using each type of software package to get firsthand opinions about how well they worked and the difficulties experienced in installing them.