TRANSFORMATIONAL LEADERSHIP – THE ART OF SUCCESSFULLY MANAGING TRANSFORMATIONAL ORGANIZATIONAL CHANGES

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ABSTRACT:
Companies today face new challenges waves, striving to remain competitive in a rapidly-changing market. Transformational leadership is a strategic key approach to successfully managing organizational transformational changes, the art of boat business leads by turbulence beginning of the XXI century. In fact, this is a new quality of leadership that so-called transactional management blew it in an attempt to end the cycle of conversion efficiency. In this sense, the success of transformational organizational change management involving key people in an organization (managers) to develop appropriate skill sets and attributes that characterize the so-called transformational leaders.

KEY-WORDS*: change, transition, transformational change, transactional leadership, transformational leadership*

1. **Introduction**

In the era of market globalization and the communications revolution in terms of speed, size, rapid or sudden and fierce competition in business, all of which have contributed to the widening need for flexibility and responsiveness adopted by organizations. This style is so-called transformational leadership that is able to change the current situation desired. Transformational leaders are those who bring change, innovation, entrepreneurship. They have a duty to manage a corporate transformation, which recognizes the need for revitalization, creating a new vision, and institutionalizing change. Transformational leaders have the ability to inspire their supporters to not only accept change but to engage with full force in achieving its.

Transformational leadership that fosters autonomy and challenging work, has become increasingly important for job satisfaction fans. The concept of job security and loyalty to the firm for a career was endangered. Salary steady, secure benefits and employment and life is no longer guaranteed for meritorious performance. While transactional leadership alone can not provide job satisfaction.

If organizations have adapted to environmental changes through evolutionary changes, this was due to the fact that the so-called transactional management favored managing these changes. Operating conditions of modern organizations requires making changes and radical transformations, managing these changes requiring new qualities of management. One of these qualities is the transformational leadership that is able to change the current situation desired. This article emphasizes aspects of appearance and concept of transformational leadership, its essential nature and attributes.

2. Defining transformational change

Defining transformational change requires a comparison of the basic concepts in managing change and an analysis of the dimensions of this phenomenon: change, transition and transformation. Underlying links between transition and transformation, and leadership in organizational change are of particular relevance for understanding transformational leadership.

Change can be defined as a situational phenomenon which is sometimes temporary (Anske Grobler,Sonja Verwey, Franzel Du Plooy-Cilliers, 2003, p.192).   Change is external, refers to a number of new features and is the outcome of an event.

Transition concerns psychological alterations of people who must adapt to a changed environment, values or similar circumstances. This prefaces new organizational status, emphasizing the importance of recognizing that a mental state transition that allows employees to get rid of old ways and embracing a new way then.

Transformational change differs from other concepts of change, especially in terms of philosophical nature new vision for the organization and the necessary level of involvement of internal stakeholders. Transformational change is prevalent if it leads to the transformation of business leaders in successful transformational leaders

The three dimensions of transformation change management is essential to explore new paradigms of management to facilitate organizational transformation through transformational leadership.

3. The concept and essence of transformational leadership

Transformational leadership was first mentioned in 1973 by James V.Dowton in the sociological study "Rebel Leadership: Commitment and charisma in the revolutionary process."(2). Then, James McGregor used the term "transformational leadership" in his book "Leadership" (3). In 1985, Barnard M. Bass(4) presented a formal theory of transformational leadership which contains in addition to other works, models and behavioral factors (Barnard M. Bass, Bruce J. Avolio, 1993, p.2). A year later (1986) Noel M. Tichy and Mary Anne Devanne published a book titled "Transformational Leader" (5). Numerous research studies and books in the field of transformational leadership were made and published, both in concept phase crystallization of transformational leadership, especially in recent years, contributed to the development of more contemporary concept. The growing interest in developing the concept of transformational leadership is justified by two trends. *The first* refers to the fact that most Western corporations such as AT & T, IBM, General Motors etc., have ventured into software changes or changes that had to be made relatively quickly. After the Second World War until the '70s, the business climate in most Western countries, especially in USA, provided a high degree of stability, which he did as most firms do not feel the need for change. However, after almost three decades of relatively slow growth after 1970, and especially since 1980, the business world has become more dynamic, competitive and also less stable. Rapidity of technological change, fierce competition in the international market, trade regulations inconsistent, unstable oil cartel, labor demographic changes, etc., are some of the factors that led to such a state. *The second* trend, leadership theories are based on the analysis of the personal characteristics of leaders, leadership behavior (behavioral theory of leadership) and different situations (theory of risk management), not taking into account some of the qualities of "atypical" of the leaders of those days. These "new" qualities required a new theory or a new concept of leadership, namely transformational leadership concept. Transformational leadership builds on transactional leadership. However, as stated by James McGregor Burns "... what today is needed is not the old style of transactional leadership, but the new style of transformational leadership" (3, p.485). Comparing the two leadership styles, Bass believes that transactional leaders largely predetermine what their followers should do to achieve their personal and organizational objectives. Comparing the two leadership styles, Bass believes that transactional leaders largely predetermine what their followers should do to achieve their personal and organizational objectives. On the contrary, transformational leaders are motivated to do more than is expected of them in fact, contribute to increased sense of importance and value tasks, stimulating and predecessors to overcome their own interests to the interests and tune the team, organization or community to achieve a higher level of change. Transactional leadership is a process in which the relationship Leader - employee is reduced to a mere exchange of a certain amount of work for an appropriate price. Rather, the transformational leadership is a more complex process, whose implementation requires more inspiration and vision. Leadership research undertaken by Noel Tichy and Mary Anne Devanne revealed certain characteristics that distinguish transformational leadership from transactional leaders. These skills refer to (5):

- *As an agent of change*. Transformational leaders create adaptive, innovative and flexible organizations. Personal and professional image features contribute to the successful management of employees in such an environment, stimulating change.

- *Courage*. Transformational leaders are able to take the appropriate attitude to take the risk confrontation with the status quo in the organization. Their intellectual abilities allow them to face reality, even if it is not a pleasant task.

- *Openness and trust in employees*. In relation to the other employees(followers), transformational leaders are open and ready to trust when necessary. Although possessing great power, transformational leaders are sensitive about their followers, making every effort to provide help whenever possible.

- *Faith in value*. Transformational leaders formulate a set of core values to be achieved, and organizational behavior must conform to these values.

- *Lifelong learning*. Transformational leaders seek to learn from their experiences, to deal with similar situations in the future. In this sense, they are ready to perform - as the situation requires - radical changes in their own attitudes, approaches, behaviors, etc..

- *Ability to cope with complex, unclear and uncertain*. Transformational leaders are ready to handle any situations where they are. Given the complexity of the high level of uncertainty and atypical situations that contemporary organizations face almost every day, ingenuity ability in such conditions is extremely important.

- *Spirit visionary*. Transformational leaders are visionaries. Certainty is their ability to create a future state that to successfully articulate and communicate well with employees, making a enthusiastic work in achieving such situations.

According to A.Elise Walton roles "normal" leaders include: explanation, building trust status quo, providing support to executives and improving existing information systems and databases. Walton reduce leadership roles in major change to: building tolerance to ambiguity, increased confidence in the benefits of change, historical values performance review, review or redesign of information systems and databases (6, p. 83). It is obvious that the so-called "normal leadership role," he considers transactional leadership roles, while the so-called "Leadership Role in Major Change" has designated, in fact, transformational leadership roles. Transformational leadership is a procedure that modifies and converts people (7). This is a different perspective of transformational leadership, which determines the ability to change people, to make them move forward and be a leader.

4. Transformational leadership skills

Optimal profile is characterized by the presence of certain qualities of transformational leadership. Although there are many classifications, we opted for the Bass and Avolio filed by. Their classification on transformational leadership skills is known as the "Four I's " and includes the following skills: 1) idealized influence; 2) inspirational motivation; 3) intellectual stimulation; 4) individualized consideration.

Idealized influence is the ability to build trust in the leader and his appreciation by his followers, element underlying acceptance radical changes in the organization. As such, no confidence in the leader, any attempt to redirect the organization can cause great resistance. You can "lead" people, if you get in the state of being ready to follow you. If the work was well-done, it is certain that people will think. In other words, you become a leader who has idealized influence. Employees and staff will try to emulate idealized influential leaders. Therefore, the success of the leader meant that gained a high level of trust and appreciation among its employees is that they begin to imitate. Thus, the effort to make a radical organizational change will be welcomed by employees. Such leaders who are role-model for their employees, make "things right" behavior showing high moral and ethical. They do not use their position and leadership skills to achieve personal interests and directing them to their employees their full potential in order to achieve the goals set for their organizations.

Inspirational motivation transformational leadership is the ability that qualify a leader as a figure that inspires and motivates employees to appropriate behavior. With the change of transformation is underway in an organization, the leader is responsible stimulate others to continue to pursue a new idea. Thus, transformational leaders must behave in such a way as to motivate and inspire those who follow him. Such behavior includes employee enthusiasm and optimism, encouraging teamwork, appreciation of the positive results and benefits.

Intellectual stimulation, as ability of transformational leaders, plays an important role in the transformation of the organization. Transformational leaders stimulate permanent efforts of their employees in terms of inventiveness and creativity, review existing assumptions, changing the way of thinking about problems, etc.. In this way, it may be able to get new ideas and creative problem solving to employees. Where ideas and solutions to problems proposed by staff other ideas presented by leaders, employees are not criticized, even as leaders ideas are not imposed at all costs. Rather, employees are assigned new tasks challenging and encouraged to solve problems the way they like.

Individualized consideration as a characteristic of transformational leadership refers to the ability to analyze individual employees. Thus, training employees in the transformation of an organization entails correct diagnosis of desires, needs, values and their abilities. An activity that tends to keep, from the beginning, a high level of employee interest in actions as well as a high degree of confidence in the leader. So, in addition to an overview of a transformational leader must know what motivates, individually, any of its employees. Human wants and needs are different. Some want certainty, others want excitement and change, some prefer money, while others free time. What is important for employees is that they do not feel they are an object of observation for leadership. Following this process, the leader - who is aware of differences in needs and desires of the people - is able to use all these different

requirements in a proper way. The behavior of transformational leaders can demonstrate acceptance of individual differences and assign tasks according to personal affinities. Following progress towards individual tasks, a leader becomes an image of regularity (or irregularity) of their own activities "individualized consideration". Ken Parry adds an ability to the list of skills of transformational leaders. This is managerial ability, competence essential to transformational leadership. So while anyone can be a transactional leader, a transformational leader can only be one who is at the same time, and a good manager. In other words, to be a transformational leader, first you must be a good manager (7, p. 8). In this respect, transformational leadership skills cited by Bass and Avolio, transformational leaders are qualities that differentiates transactional leaders. Effective application of transformational leadership competencies list includes the existence of certain attributes of transformational leadership, such as: creativity, team orientation, appreciation of others, teaching, responsibility and recognition.

Applying these attributes in organizational transformation process with their skills, transformational leaders have the right to "incorporate" awareness of the need in the process of organizational transformation, to carry out the process and, consequently, both the organization and employees will benefit from this action.

Creativity, as an attribute of transformational leadership includes not only taking action created by transformational leaders, but also openness to creative businesses of their followers. Some actions of transformational leaders demonstrate their creativity in the transformation process. However, as important to the success of change, is analyzing and adopting creative ideas of their followers. The creative efforts of employee appreciation is ensured strong motivational base for active involvement in the process of change.

Team orientation of transformational leadership reflects the awareness of teamwork and their willingness to rely on the help of others. Complexities of organizational transformation shows that, in fact, a transformational leader can not lead - independently-whole transformation process to finish. For this reason, transformational leaders encourage the creation of teams, together with other members to take appropriate decisions and to solve problems arising. In this respect, it is important to raise the level of functionality at a team that ensures full equality, without fear of "retaliation" by leaders as a result of actions taken.

Appreciation of others is an attribute of transformational leadership which demonstrates that they appreciate and evaluate their attitudes disciples. These attributes of transformational leadership reflects the need to use two modes of communication, organizational transformation during the development process. Thus, the process of change, communication plan is usually reduced to a unidirectional flow information, which starts at reaching leaders and employees. In order to achieve optimal efficiency in the process of organizational change, communication plan is necessary to include a communication channel information back (feedback) from employees by their leaders. Such communication shows that leaders listen to employees' opinions and attitudes interested in their ideas, which are able to discuss and formulize any suggestions. It is important for leaders, where comments are positive to find ways to not communicate in a totally negative.

Teaching is an important attribute of transformational leadership that reflects their ability to influence people in the change process, to instruct and correct directly. Without training, the full implementation of transformations based only on occasional opportunity, not a predetermined pattern.

Responsibility reflects the readiness of transformational leadership in taking the risk to change their transformation success. When to change, managers can act in two ways. They can "keep away" to watch and, finally, the critical change. Passive managers are indifferent regarding modification or strongly oppose those who believe that change is something that should go into someone else's concerns, such an approach were to change. Such managers are called passive managers or "observers". They do not feel any responsibility for the results or change processes. On the other hand, managers who accept change, actively participating and supporting every action they feel the responsibility for the success of the change. Attribute responsibility is one of the important qualities that allow managers to move towards transformational leadership category.

Recognition as an attribute of transformational leadership allows leaders to identify situations in which followers should be praised, to receive recognition of merit. Expression Thanksgiving with a simple "thank you" for a job well-done, it costs nothing and is a strong stimulus for disciples to further support efforts to achieve change. A successful change involves the efforts of both parties, leaders and followers. If the efforts of employees remain unnoticed, it may happen that the effort to miss. In this respect, transformational leaders praise each action immediately well-done by their employees.

Therefore, "the end result of happiness is not just a dream dear, but for the purpose of transformational leadership seen more as a process, a follow" (James MacGregor Burns, p.240)

5. Conclusions

Numerous research results proving that the modern leadership should focus on inspirational motivation by pan future with optimism, articulating a vision for the future, displaying a confident behavior and ensure employees work autonomy. These characteristics related to job satisfaction, motivation are added inspiration - a true social barometer of job satisfaction. Also, leaders should focus their efforts on fostering intellectual search for different perspectives to solve problems among employees and instilling pride in assuming moral and ethical consequences of their decisions.

Transformational leaders are individuals with their own knowledge, imagination and their ability to influence people's behavior, the conditions for transforming the so-called variable "soft" transformation of the Agreement. These are variables that are changing much more complicated than changing variables so-called "hard" as including "inside" change or mental quality of an organization. That is why it is considered that no other factor is not so important in organizations for their successful operation times for their survival. Therefore, human resource management during organizational change is driving essential part of transformation.

Successful management of this content also includes, along with the usual transactional management skills, appropriate skill transformation (idealized influence, inspirational motivation, intellectual stimulation, individualized consideration), and the corresponding transformational attributes (creativity, team orientation, appreciation of others , teaching, responsibility, recognition). Skills and competencies listed is the essence of transformational leadership. Therefore, we conclude that these qualities of transformational leadership is the essence of transformational management, the art of successfully managing transformational organizational changes.

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