

**THE FEASIBILITY OF TRANSFORMATIONAL
LEADERSHIP TRAINING AND DEVELOPMENT IN
SOUTH AFRICA**

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DECLARATION

I Jean du Rand do hereby declare that this thesis is entirely my own work. All references used have been fully acknowledged and authors named in quotes. This material has not been used for academic purposes at this University or any similar institution.

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ABSTRACT

The 1990s were characterised by a process of rapid political change in South Africa, which resulted in a period of transition in the economic and social spheres of this society. South Africans need to adapt to the shift in political leadership as well the rapid rate of technological innovation globally.

Leadership theory has evolved from more traditional approaches such as the trait approach and behavioural approach to more recent theories such as situational leadership theories, leader-follower exchange theories and leadership decision-making theories. The recent trends in the field of Industrial Psychology lead to a more comprehensive and all-inclusive theory of leadership, namely transformational leadership. South Africa needs transformational leaders to drive and manage the change process.

From the literature study it is evident that there is a need for transformational leadership training and development in South Africa. Therefore the main goal of this study was to determine the feasibility of transformational leadership training and development in South Africa. The main problem is divided into four sub-problems.

In order to develop South African managers into transformational leaders, it is important that a need for transformational leadership training exists. Therefore the first sub-problem is concerned with the need for the development of transformational leadership skills in South African leaders. The data of all South African leaders (7,563 cases) that were rated on Form 5X of the Multi-factor-Leadership Questionnaire (instrument measuring transformational leadership) was obtained from Productivity Development Pty. (Ltd.). This data was generated from March 1995 to June 1999. Firstly, the Ideal Theoretical Leadership Profile is compared to the total South African sample (N=7563). Secondly, leaders who performed effectively in the world of work were extracted from the total South African sample and were compared to the rest of the South African sample. Thus the Ideal Effectiveness Leadership Profile (N=657) is compared to the rest of the South African sample (N=6906). In both instances the profiles of the South African sample resembles the two ideal leadership profiles. The fact that the South African leaders scored well below the norms of the two ideal profiles on transformational leadership dimensions indicates that there is a need for the development of transformational leaders in South Africa. Thirdly, the t-test is utilised in order to compare the total South African sample (N=7,443) to an international sample (N=2080). The South African sample scored significantly higher on transformational leadership scales than their international counterparts. This indicates that South African leaders compare well to international standards regarding transformational leadership

Once it was assessed that there is a need for South African leaders to be developed as transformational leaders, it was important to determine whether the Multi-factor Leadership Questionnaire (MLQ) is a valid instrument for measuring transformational leadership in South Africa. Transformational leadership training and development can not be managed in South Africa unless it can be measured. Therefore the second sub-problem was concerned with the construct validity of the MLQ in South Africa.

Confirmatory factor analysis was utilised in order to assess the construct validity of the MLQ on 7563 cases. The final first-order analysis indicated that there is not conclusive evidence for the 8-factor structure in the South African context. More comprehensive research is needed in order to prove the validity of the MLQ beyond reasonable doubt in the South African context.

After the conclusion was reached that transformational leadership training is needed in South Africa, it was decided to investigate the practical implementation of transformational leadership training in South Africa. In order to investigate the practical implementation of transformational leadership training, high-level managers trained at the Graduate School of Business, University of Stellenbosch (USB) were assessed as a microcosm of the larger South African sample. The USB group (N=120) was compared by means of t-tests to two other groups, namely the rest of the South African sample (N=7443) and an international sample (N=2080). The third sub-problem was thus concerned whether the USB group was a select group. The USB group scored significantly higher on all of the individual transformational factors than the two other groups. The results suggest that the USB is a select group.

Once it was concluded that the USB group was a select group, they were tested on Kirkpatrick's reaction level of evaluation in order to determine whether they benefited from the course, although their MLQ scores reflected that they were already acting in a transformational manner. The fourth sub-problem was thus concerned with evaluating the reactions of the USB group towards the *Full Range Leadership Programme*. Overall the participants (N=46) gave a positive reaction towards the programme. Although the USB group can be classified as a select group, participants believed that the programme was of practical use. This substantiates the argument that there is a need for developing transformational leaders.

The results indicate that transformational leadership training and development is feasible in South Africa. Finally, on the basis of the results of this study, conclusions and recommendations are made for future research.

OPSOMMING

Die negentigerjare word gekenmerk deur 'n proses van snelle politieke verandering in die Suid-Afrikaanse samelewing, wat 'n oorgangsperiode in die ekonomiese en sosiale sektore ingewy het. Dit is noodsaaklik dat Suid-Afrikaners aanpas by die veranderinge in politieke leierskap, asook by tegnologiese vooruitgang.

Die leierskapsteorie, wat vroeër bestaan het uit die meer tradisionele benaderings soos die karaktertrek- en die gedragsbenadering, het gestalte gekry in meer onlangse teorieë. Hierdie teorieë sluit in die gebeurlikheids-, leier-volgeling-uitruilings- asook die leierskapsbesluitnemingsbenaderings. Die huidige neiging binne die wêreld van die Bedryfsielkunde is 'n meer omvattende en alles-inklusiewe benadering ten opsigte van die leierskapsteorie, naamlik transformasieleierskap.

Suid-Afrika benodig transformasieleiers om die proses van verandering aan te dryf en te bestuur. Uit die literatuurstudie is dit duidelik dat daar 'n behoefte is aan transformasieleierskap-opleiding en -ontwikkeling in Suid-Afrika. Vervolgens is die hoofdoel van hierdie studie om die praktiese uitvoerbaarheid van transformasieleierskap-opleiding en -ontwikkeling in Suid-Afrika te bepaal. Die hoofprobleem word in vier sub-probleme verdeel.

Daar word van die standpunt uitgegaan dat dit belangrik is om die transformasieleierskapsvaardighede van Suid-Afrikaanse bestuurders te ontwikkel. Die eerste sub-probleem fokus op die behoefte van Suid-Afrikaanse bestuurders aan opleiding in transformasieleierskap. Die data is ingesamel van alle Suid-Afrikaanse leiers (7,563 proefpersone) wat op die Multi-faktor Leierskapsvraelysvorm 5X (instrument wat transformasieleierskap meet) beoordeel is. Hierdie data is deur Productivity Development (Pty) Ltd beskikbaar gestel, en is vanaf Maart 1995 tot Junie 1999 ingesamel. Eerstens is die Ideale Teoretiese Leierskapsprofiel vergelyk met die leierskapsprofiel van die totale Suid-Afrikaanse steekproef (N=7,563). Tweedens is leiers wat effektief in die praktyk funksioneer, die Ideale Effektiwiteit Leierskapsprofiel (N=657), onttrek van die totale Suid-Afrikaanse steekproef en vergelyk met die res van die Suid-Afrikaanse steekproef (N=6,906). In beide gevalle is daar 'n verwantskap gevind tussen die Suid-Afrikaanse steekproef en die twee ideale leierskapsprofile. Derdens is daar van 'n t-toets gebruik gemaak om die res van die Suid-Afrikaanse steekproef (N=7,443) met 'n internasionale steekproef te vergelyk. Die Suid-Afrikaanse steekproef het beduidend hoër tellings as die internasionale steekproef op alle transformasieskale behaal. Hiervolgens voldoen die Suid-Afrikaanse steekproef aan internasionale standaarde ten opsigte van transformasievaardighede.

Nadat vasgestel is dat daar 'n behoefte bestaan aan transformasieleierskap-opleiding in Suid-Afrika, is daar ook besluit om die geldigheid van die Multi-faktor Leierskapsvraelys (MLQ) onder Suid-Afrikaanse omstandighede te ondersoek. Transformasieleierskap-opleiding en -ontwikkeling in Suid-Afrika kan nie bestuur word tensy dit akkuraat gemeet word nie. Daarom fokus die tweede sub-probleem op die konstrugeldigheid van die MLQ onder Suid-Afrikaanse omstandighede.

Daar is van bevestigende faktor-ontleding gebruik gemaak om die konstrugeldigheid van die MLQ by 7,563 proefpersone te bepaal. Die 8-faktorpatroon lewer nie voldoende bewys dat die MLQ wel oor 'n mate van konstrugeldigheid onder Suid-Afrikaanse omstandighede beskik nie. Nog in-diepte navorsing word benodig om bo redelike twyfel die geldigheid van die MLQ onder Suid-Afrikaanse omstandighede te bevestig.

Nadat tot die gevolgtrekking gekom is dat daar 'n behoefte aan opleiding in transformasievaardighede bestaan, is die praktiese implementering van transformasieleierskap-opleiding in Suid-Afrika ondersoek. Vir hierdie doel is hoëvlakbestuurders, wat opgelei is by die Nagraadse Bestuurskool aan die Universiteit van Stellenbosch (USB), ondersoek as 'n mikrokosmos van die groter Suid-Afrikaanse steekproef. Die USB-groep (N=120) is deur middel van t-toetse met die res van die Suid-Afrikaanse groep (N=7,443) en 'n internasionale steekproef (N=2,080) vergelyk. By die derde sub-probleem moes bepaal word of die USB-groep 'n uitgelese groep is. Dié groep het beduidend hoër tellings by al die afsonderlike transformasiefaktore as die ander twee groepe behaal. Die gevolgtrekking kan dus gemaak word dat die USB-groep wel uitgelese is. Hierna is die groep gemeet aan Kirkpatrick se reaksievlak. By die vierde sub-probleem is die USB-groep se reaksie ten opsigte van die "Full Range Leadership Programme" geëvalueer. Oor die algemeen het respondente (N=46) 'n positiewe reaksie teenoor die program getoon. Die USB-groep het die program as betekenisvol beskou, en alhoewel hulle 'n geselekteerde groep is, dui dit aan dat daar tog onder hulle 'n behoefte is aan opleiding in transformasievaardighede van Suid-Afrikaanse bestuurders.

Die resultate dui aan dat daar onder bestuurslui in die algemeen 'n behoefte aan transformasieleierskap-opleiding en -ontwikkeling in Suid-Afrika is. Ten slotte is gevolgtrekkings en aanbevelings wat op die resultate van die studie gebaseer is, vir toekomstige navorsing gemaak.

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CHAPTER 1

INTRODUCTION

1.1 GENERAL OVERVIEW OF THE STUDY

This dissertation deals with the training and development of transformational leadership skills in South Africa. A salient characteristic of this thesis is that it gives a comprehensive overview of leadership, specifically in the South African context. Due to its comprehensive nature, it can serve as a general guide for academics, students and researchers regarding leadership theory in South Africa.

In South Africa, as well as globally, change takes place at an alarming rate. Therefore organisations need to adapt to an ever-changing environment, locally and internationally (Tromp, 1996). A process of drastic change is necessary, which is referred to by Tromp (1996) as “transformation”. Leaders need to develop the necessary skills in South Africa and exhibit the necessary competencies in order to lead organisations to a state of equilibrium (Tromp, 1996).

The essence of this dissertation is to determine whether there is a need for developing transformational leadership skills, and whether it is feasible to train transformational leaders in South Africa. Research is based on the entire South African sample of people who were trained in the *Full Range Leadership Programme* (N=7563). Specific focus is on the group that was trained in the *Full Range Leadership Programme* at the Graduate School of Business, University of Stellenbosch (USB). Bass and Avolio (in Tromp 1996) based the Full Range Leadership Programme on a very comprehensive model of leadership behaviour. The validity of the instrument that measures transformational leadership, the Multi-factor Leadership Questionnaire (MLQ), is researched in terms of the South African context. For a more detailed account of the MLQ refer to chapter 5, pp. 91-95.

1.2 BACKGROUND TO THE *FULL RANGE LEADERSHIP PROGRAMME* IN SOUTH AFRICA

Formal training in the *Full Range Leadership Programme* was implemented in various settings globally, for example military, educational, industry, health care and public

sectors. According to Bass and Avolio (1997) pre-test/post-test findings on the MLQ proved that persistent training effects were found in instances in which participants selected certain competencies from the *Full Range Leadership Programme*. The participants personally committed themselves to the selected competencies and integrated them in their plans to change. The *Full Range Leadership Programme* is characterised by a full-scale planning and implementation process. Realistic estimations of limits and barriers to necessary correction of leadership styles are determined in plans developed by the participants. In the proposed plan of action, participants suggest proposals for personal as well as organisational improvements (Bass & Avolio, 1997). Bass and Avolio (1997) suggest lengthening the time of training, and implementing follow-up sessions in order to enhance the effectiveness of leadership training by means of training sessions.

In 1994, Bernard Bass (in Saayman, 1997) introduced the *Full Range Leadership Programme* to all interested parties in the private as well as the public sector of South Africa. It was pointed out that employees that had been promoted in leadership positions lacked sufficient management experience and knowledge to drive the transformation process. The *Full Range Leadership Programme* is aimed at convincing South African leaders that it is necessary to give more responsibility and autonomy to employees in order to adapt to the rapid rate of change. The *Full Range Leadership Programme* is an intervention used to aid the adaptation of organisations to changes in the external environment (Saayman, 1997).

According to the coordinator of the *Full Range Leadership Programme* at the USB, D. Tromp (personal communication, June 20, 1999), said that the USB have presented programmes in transformational leadership for the past five years in order to develop transformational leadership skills. The coordinator of aforementioned programme also made the assumption that the rapid changes in the South African environment make the development and training of transformational leaders essential. The aforementioned suggests that the necessary knowledge, skills and abilities regarding transformational leadership should be developed in South African leaders, to enable them to adapt to turbulent environmental changes. For a more detailed account of the *Full Range Leadership Programme* refer to chapter 4, pp. 61-73.

1.3 THE NATURE OF THE RESEARCH

In the behavioural sciences, measuring instruments are created to measure human attributes, human characteristics or human behaviour. This study is concerned with the topic of transformational leadership behaviour. Behavioural characteristics can be observed and therefore can be measured. Measurable behavioural characteristics are known as dimensions. Although a one hundred percent accurate measurement of

human behaviour is impossible, a dimensional approach to human behaviour is useful. According to Wright (1976) all human behaviour can be measured provided that a suitable measuring instrument is available. If human behaviour is the subject of research, it is important that the research is able to describe and measure the relevant behaviour. According to Globerson, Globerson and Frampton (1991) if you can't measure human behaviour, you can't manage it. The behavioural characteristic that is measured by this study is transformational leadership. Owing to the changing circumstances in South Africa, the question can be asked whether transformational leadership is a viable concept in this society.

All theoretical indications are that there is a need for training and development in the ever-evolving South African society. In the light of a literature review of the various models of transformational leadership, various studies regarding the validity of the MLQ, and theoretical information regarding the training and development of transformational leaders, the following critical questions were generated:

- To what degree do South African leaders possess transformational leadership competencies? How does the sample group compare to an ideal profile of transformational leadership? How does the South African group compare to an international sample? In other words, is there a need for developing transformational leaders in South Africa?
- How valid is the instrument (MLQ) that measures transformational leadership skills? What are the findings of international researchers in this regard? What is the situation regarding South African leaders?
- How do leaders who were trained by the USB compare to the larger South African sample? In other words, is it possible that the USB group is an elite select group of leaders?
- What is the reaction of the USB group to the training that they have received?
- What do the USB and other stakeholders need to do about the development of transformational leadership skills? Conclusions and recommendations regarding the findings of the study are presented in the final chapter.

From these questions, four research objectives were formulated. Firstly, the research project will investigate whether there is a need for training and developing transformational leadership skills (the identified behaviour) in South African leaders. As was clearly previously mentioned, in order to manage the training and development of leaders, it is vital that a valid measuring instrument be used. Therefore the discriminant validity of the MLQ was investigated by means of two profile analyses of the total South African sample, to indicate whether there is a need for developing transformational leaders in our society. A comparison is made between South African leaders and two different ideal profiles of transformational leadership behaviours. The first ideal profile was supplied by D. Tromp (personal communication, April 12, 1999), while the second ideal profile was deduced from the outcome measures of the MLQ. Comparisons were

made between the MLQ profiles of South African participants in the *Full Range Leadership Programme* and the Ideal Theoretical Leadership Profile. The total South African sample is also compared to an international sample.

Secondly, the research project will determine the validity of the MLQ. The construct validity of the MLQ for the purposes of this research project is tested in relation to the total South African sample. Refer to Chapter 5, pp. 91-95 that describes the MLQ in more detail.

Thirdly, the research project will set out to determine whether the group trained at the USB in transformational leadership skills is a select group of leaders. Comparing the group trained at the USB to the larger South African as well as an international sample does this.

Fourthly, the reaction of the USB towards the training that they received is tested by means of a self-developed questionnaire. Refer to chapter 5, pp. 95-96 for a more detailed discussion of the self-developed questionnaire.

Conclusions, implications and recommendations regarding the findings of the study are presented in the final chapter. Finally, all data was analysed and deductions were made. Recommendations regarding the role that the USB and other stakeholders should play regarding the training and development of transformational leaders are also presented. **Figure 1.1** graphically represents an outline of the study. Also refer to p. 6 in this chapter for a more detailed discussion of the outline of the study.

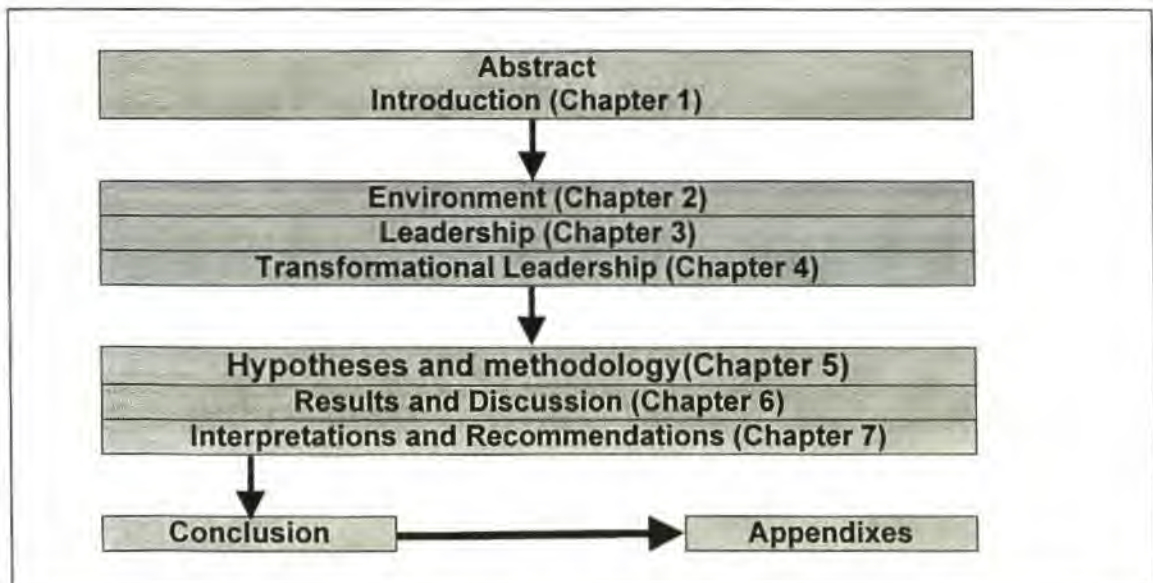


Figure 1.1 Outline of the Research

1.4 VARIOUS MODELS OF TRANSFORMATIONAL LEADERSHIP

Tromp (1996) refers to various models of transformational leadership competencies, namely Kouzes and Posner, Bennis and Nanus, Conger, Nadler and Tushman, Tichy and Devanna and Schroder as well as Bass and Avolio. A brief summary of each of above-mentioned transformational leadership models follows.

Kouzes and Posner mention the following five behaviours displayed by leaders: challenging the process, inspiring a shared vision, enabling others to act, modelling the way, and encouraging the heart. Bennis and Nanus refer to the following leadership strategies: attention through vision, meaning through communication, trust through positioning, and self-development. Conger distinguishes between the following charismatic behaviours shown by leaders: detecting unexpected opportunities, communicating the vision, building trust, and demonstrating the means to achieve the vision. Nadler and Tushman refer to the following six leadership behaviours: envisioning, energising, enabling, structuring, controlling, and rewarding. Tichy and Devanna refers to the following key transformational leadership behaviours: recognising the need for revitalisation, creating a new vision, and institutionalising change. Schroder distinguishes between entry level competencies, basic competencies and high performance competencies, in order to provide more structure to various dimensions of leadership competencies. High performance competencies, which reflect transformational leadership behaviours, consist of cognitive competencies, directing competencies, motivating competencies, and achieving competencies (Tromp, 1996).

A comprehensive model of transformational leadership behaviour was developed by Bass and Avolio (1997), namely the *Full Range Leadership Programme*. Bernard Bass (in Den Hartog, Muijen & Koopman, 1997) made a significant contribution to the field of transformational leadership with the development of the MLQ. The MLQ was developed to measure the transformational, transactional, and laissez-faire leadership constructs in leaders. Bass's Full Range Leadership Model consists of three leadership constructs: laissez-faire, transactional and transformational leadership. Transactional leadership can be subdivided into three dimensions: *management-by-exception (passive type)*, *management-by-exception (active type)* and *contingent reward*. Transformational leadership can be subdivided into the four I's (*idealized influence*, *intellectual stimulation*, *inspirational motivation* and *individualised consideration*). All of the aforementioned models are discussed in more detail in chapter 4, pp. 51-73. Specifically refer to **figure 4.5** on p. 62 in order to view a graphic representation of the Full Range Leadership Model.

In the literature concerning transformational leadership, a great deal of activity was found surrounding the *Full Range Leadership Programme* of Bass and Avolio. Because of this activity, it was decided to launch an empirical study on this model rather than on

any of the other six models discussed earlier in the chapter. The importance of using a valid and reliable instrument of human behaviour was also taken into consideration. Bass and Avolio in Tromp (1996) summarise the validity and findings of a large base of empirical evidence regarding the "Full Range Leadership Model". A summary of the research findings follows:

- Research has supported the fact that transformational leadership competencies can be identified by means of the MLQ and can be further developed if necessary.
- The "Full Range Leadership Model" has shown an adequate degree of reliability and validity.
- This leadership model can be generalised across cultures and groups (individual, team and culture).
- At this stage research supports the training and development of transformational leaders.

1.5 GENERAL DISCUSSION

The purpose of this research investigation is to determine the feasibility of transformational leadership training in the ever-changing South African environment. Refer to pp. 2-4 earlier in the chapter in order to obtain more details regarding the purpose of the study and the problems it wishes to address. All theoretical indications are that there is a need for training and development in the ever-evolving South African society.

Chapter 2 of this research project deals exclusively with the many challenges South African leaders face. Chapter 3 will deal with the general theories of leadership, which need to be grasped in order to get a more comprehensive overview and understanding of the concept of "leadership".

According to Bass and Avolio (in Ristow, 1998), recent studies have indicated that transformational leadership theory is most relevant to contemporary organisations. As previously stated in this chapter, transformational leaders enable companies to adapt to the dynamic external environment. Chapter 4 will deal in-depth with the theory of transformational leadership.

Chapter 5 will state the problem which is addressed in this study. Chapter 5 will also discuss the procedure and method used to gather and analyse the relevant data for the purposes of the study. Chapter 6 will present and discuss the results of the study. Finally, chapter 7 will present the relevant conclusions reached, and implications for future research.

CHAPTER 2

CHALLENGES FACING THE TRANSFORMATIONAL LEADER IN SOUTH AFRICA

2.1 INTRODUCTION

As was stated in section 1.5 (p.6), this study is concerned with the feasibility of transformational leadership in South Africa. Therefore a large part of this thesis explains environmental factors that challenge the transformational leader in South Africa. Leadership always takes place in a certain context. Leaders in America for example will face different challenges than their South African counterparts. Therefore leadership is often situation specific as is explained in chapter 3 on leadership theories. Different situations might also call for different leadership behaviours. Furthermore, transformational leaders need to manage turbulent environmental changes.

At present South Africans are facing an uphill battle in the transition phase from the old South Africa to the new South Africa. The road to democracy has not always been smooth.

The birth of the new South Africa can be seen as a miracle in itself. But this democracy is threatened by a variety of obstacles, which have to be eliminated. Arguably, South Africa is facing greater political, economic, social and technological challenges than any other nation in the world today. From the literature study it can be inferred that South Africa needs visionary leaders to confront these challenges. Business leaders, union leaders, political leaders and community leaders should share a common vision to enable South Africa to become globally competitive. Cooperation between leaders is essential in their combined effort to turn the vision into reality.

For the purposes of this chapter, it was decided to focus on current political, social, economic and technological trends in South Africa and the world. Owing to the magnitude of this task, the research will look only at selected factors. It is important for the reader to understand that the political, social, economic and technological spheres are in constant interaction with each other; therefore it will be difficult to separate any one of these areas from the others in the discussion that is about to follow. These spheres are in a process of constant change. **Section 2.2** (p.8) focuses exclusively on change and the South African environment.

2.2 TRANSFORMATIONAL LEADERSHIP AND CHANGE IN SOUTH AFRICA

According to Kotter (1988) change in organisations is caused by changes in the external environment. This implies that change takes place in the company (internally) as well as in the external environment. It is the author's view that transformational leaders are concerned with guiding change. According to Kotter (1990), leadership is especially necessary in times of uncertainty and chaos. Therefore, the transformational leader should be informed about political, economic, social and technological factors that can influence the speed of change.

Understanding and managing change effectively is a complex process. Randolph and Blackburn (1989) suggest the model of change proposed by Lewin years ago for managing change (see table 2.1, p. 9). This model will be used in order to simplify this discussion.

Unless otherwise stated, the information reflected in this section was compiled from Randolph and Blackburn (1989). Lewin in Randolph and Blackburn (1989) states that change could be best understood by a three-step process, namely: unfreezing, changing and refreezing. Unfreezing is the first step in the change process. Most employees prefer a stable environment. In other words, employees want to maintain the status quo. Therefore, these employees resist change (resisting forces). However, there are forces that attempt to change the status quo in the organisation (driving forces). In an organisation a need for change develops. A need for change implies that there is a gap between the present state of affairs and the desired state of affairs.

Unfreezing of the equilibrium suggests that a firm or an individual has somehow managed to move the status quo. To sum up, driving forces support the change process, while resisting forces oppose change. Resisting forces can be divided into external and internal forces. External forces are key environmental changes that force change in the company. An internal force is change initiated from within the company. In some companies change is a way of life, in order to adapt to the external environment. If change is part of organisational culture, new ideas or product champions are encouraged. However, traditions, habits and inertia block successful transformation in companies (Kotter and Heskett, 1992). Lewin in Randolph and Blackburn (1989) suggests that unfreezing can occur in three ways, namely:

- Increasing driving forces.
- Decreasing resisting forces
- Ultimately a combination of the aforementioned two points.

Once the status quo is moved it is possible to introduce change. Once change pushes the status quo off balance, a period of consolidation is necessary. The new practice

should be accepted by most people in the organisation as the new status quo. This practice of solidifying the new practice is known as refreezing.

Schwartz (1991) identifies five driving forces that can force the change process forward in an organisation, namely political, economic, social, technological, and environmental factors. In the light of these factors, **table 2.1** outlines driving forces and resisting forces, respectively trying to change and trying to maintain the status quo in South African organisations.

Table 2.1 Force Field Analysis: Transformational Leaders Facilitating Change in South Africa in order to Create a New Status Quo

<i>DRIVING FORCES</i>	<i>RESISTANCE</i>
Political initiatives by leaders.	Overcoming problems from the Apartheid era and present political transition, resistance from unions regarding nation building and production.
Economic initiatives by businessmen and entrepreneurs.	Development of townships, business transformation, problems in incorporating African culture into South African organisations, shortage of entrepreneurs, job shortage and managing diversity.
Efforts towards social change.	Getting the reconstruction and development process of the ground, building houses, health problems, lack of skills, crime and lack of jobs.
Technological advancement.	Lack of technical expertise; emigration of skilled technicians.
Transformational leaders facilitating change in the political, economic, social and technological spheres (environment) in order to create a status quo.	Resistance of South African citizens and especially the economically active population towards the change process.

**** Please note that the line in the middle of table 2.1 dividing the two columns in table 2.1 represents the status quo.**

(Randolph and Blackburn, 1989, p. 807)

Resistance to change in South Africa is problematic. However, the author believes that resistance to change can be overcome by various organisational interventions or driving

forces such as an organisational culture that encourages change, teamwork and leadership. The focus will now shift to leadership as a force of social change in South Africa.

Toffler (1970, p.11) describes the problematic effect of change on individuals in society as follows, "Change is the process by which the future invades our lives". This statement is as relevant today as it was thirty years ago. Modern man is subjected to too much stress in too short a time (Toffler, 1970). The author is therefore of the opinion that the South African society is possibly facing a complete adaptation breakdown unless people and organisations learn to adapt to change. The deduction can be made that leadership is necessary in order to assist employees to adapt to change.

Leaders are in growing demand because of the global speed of change (Kotter, 1999). Harvey-Jones (1993) is of the opinion that the greatest personal skill for the nineties would be the ability to manage radical change. According to Koestenbaum (1991), the leadership mind is a paradigm shift. The leadership mind is characterised by transformation and enlightenment. Harvey-Jones (1993) also believes that organisations and countries do not change in themselves but the people in them do. Therefore, the author is of the opinion that South African leaders are responsible for managing radical change by initiating a paradigm shift in the hearts and minds of South Africans.

In the previous paragraph it was made clear that leadership is a skill that is needed to change the attitudes and thoughts of people. However, South African companies should create the right climate in order for leadership to flourish (Drucker, 1954). It is important that leadership should embrace the culture of the organisation and society. Therefore it is important that each and every company in the South African society should develop a passion for creating and nurturing leadership development (White, Hodgson and Crainer, 1996).

According to Senge, Ross, Smith, Roberts and Kleiner (1994) people in learning organisations should learn to embrace change rather than fear it. Strategic transformational leadership thinking is necessary in order for employees to make sense of chaos (Ohmae, 1982). People in learning organisations learn to anticipate change and how to react to it by creating the types of change they want. Therefore, leaders should be developed in South Africa in order to create learning organisations that can adapt swiftly and readily to change (Senge, *et. al.*, 1994). These leaders should develop the ability to manage change as an organisational intervention. (See figure 2.1 on the next page).

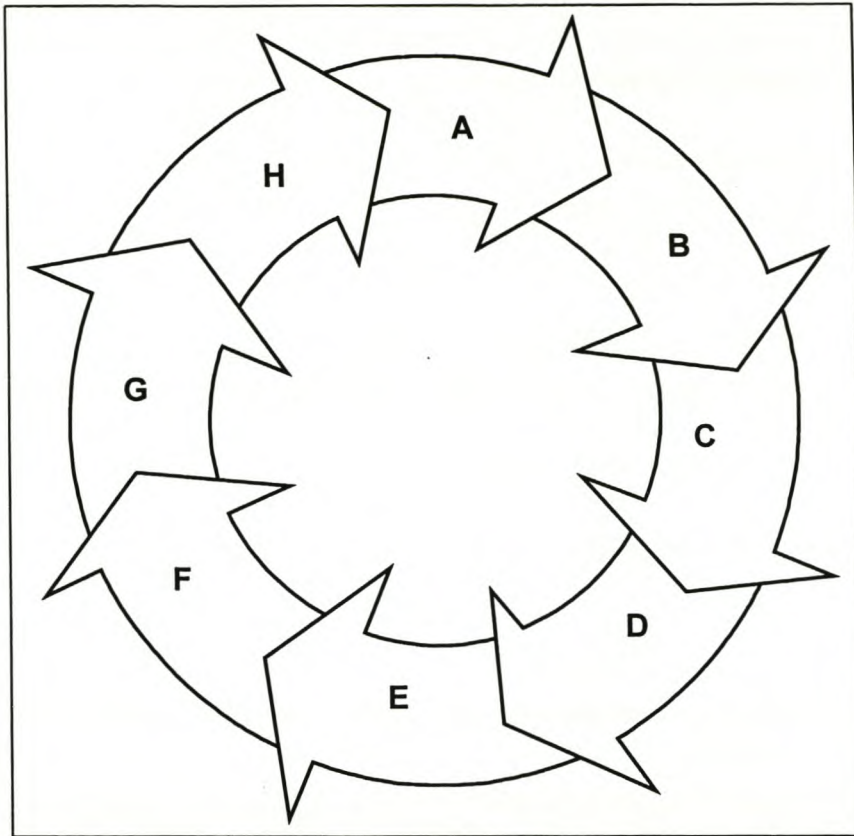


Figure 2.1 Leadership as an Organisational Intervention for Managing Change in a South African Organisation

KEY:

A. Turbulence and chaos in organisation caused by environmental/organisational changes.
B. Organisational development intervention. Company managers to be trained as a transformational leader.
C. Transformational Leadership training by company.
D. Leadership training leads to more effective leadership behaviours in Organisation.
E. More effective leaders drive the change process in the Organisation.
F. The Organisation and employees adapt to the changing internal and external environment.
G. Equilibrium achieved. A new status quo is established.
H. Rapid political, economical, social and technological changes challenges status quo.

To summarise, leadership can be seen as a constant process of unfreezing, change, refreezing and unfreezing again. Leadership can thus be seen as an ongoing circular process. In **figure 2.1** leadership training is plotted as an organisational intervention.

Leadership can be seen as part of a circular process of change. In essence this circular process will enable companies to transform into learning organisations, enabling them to adapt to change swiftly and effectively.

There are three basic reasons why leaders are necessary according to Bennis (1989). These reasons are also applicable to the South African situation. The reasons are as follows:

- Leaders are necessary for improving overall organisational effectiveness in South African organisations.
- South Africans need a guiding purpose to give meaning to their lives. Leadership fulfills these needs.
- There is concern about the integrity of South African organisations.

The implications of political, economic, social and technological change on the larger South African society will now be discussed.

2.3 THE POLITICAL CHALLENGE

In order for South Africans to understand the present and create a better future, it is important to learn from the mistakes of previous generations. Therefore, a portion of the political discussion will deal with the history of South Africa.

2.3.1 Apartheid: A Policy of Racial Segregation

Unless otherwise stated, the following sources were utilised to cover the section on apartheid policy: Oakes, 1992; Cohen, 1986; Fenwick & Rosenhain, 1991; Brookes, 1968; Holland, 1990.

South African society is still haunted by the atrocities, policies and injustices of apartheid. During the apartheid era unjust policies and laws grossly violated human rights. The ghosts of this era will not easily be laid to rest. The basis of apartheid policies was the total segregation of Europeans and "natives". Territorially South Africans were divided along racial lines; a superior educational system and more luxurious public facilities were made available to Whites. The government controlled welfare, education, health and the employment opportunities of Blacks.

National Party (NP) policies were met first with passive and then violent resistance from the African National Congress (ANC). Nelson Mandela, Walter Sisulu and 160 other leading freedom fighters had to stand trial on 193 cases of sabotage, for training revolutionaries and for the political invasion of South Africa. Many of these activists were

later found guilty of treason and were banished to Robben Island in 1962. The political struggle continued without the leaders. A culture of resistance was cultivated among the youth in townships.

The 1980s were characterized by ongoing violence in the townships as well as intensive pressure from the outside world. The outside world responded with sport boycotts, sanctions and disinvestment in South Africa. The world at large put massive pressure on South Africa to dismantle all apartheid policies and to release all political prisoners.

2.3.2 The Negotiated Revolution

An increase in internal as well as external pressure forced the government of the time to reconsider its position on key policies. It was up to one man to change the direction of politics in South Africa. F.W. de Klerk, new leader of the NP, stunned the whole of South Africa and the outside world with his 2 February 1990 speech. De Klerk announced the release of all political prisoners including 'Nelson' Mandela. Bans on the ANC, Pan African Congress (PAC) and the South African Communist Party (SACP) were lifted. All discriminatory laws were scrapped from the law books, including the Separate Amenities Act and the Group Areas Act. The state of emergency was lifted in all provinces except Natal where there was a great escalation of violence between the supporters of the Inkatha Freedom Party and the ANC.

The challenge was now to move from a totalitarian state to a fully-fledged democracy. The road to freedom was never going to be easy. The small-scale warfare between militant factions of the ANC and Inkatha, right-wing violence and the assassination of Chris Hani (leader of the SACP), the breakdown of the Codesa peace talks and the Boipatong massacre were all obstacles that had to be overcome. Finally, Roelf Meyer (chief negotiator of the N.P.) and Cyril Ramaphosa (Secretary-General of the A.N.C.) reached an agreement after 19 days of behind-the-scenes talks. These 19 days of negotiations would later be known as the "record of understanding".

On the 18th of November 1993 at the World Trade Centre in Johannesburg the founding document for a new South Africa was endorsed. Sanctions were lifted and it became easier for South Africa to trade internationally. The alliance needed a two-thirds majority to rewrite the constitution. The ANC/COSATU/SACP alliance won the April 1994 elections by an overwhelming majority (62,65 percent of the votes). Nelson Mandela became this country's first Black president (Waldmeier, 1997).

2.3.3 The New Constitution

On 10 December 1996 President Mandela signed the first constitution of the new South Africa in Sharpeville. The new constitution emphasises human rights, equality and freedom. The constitution can be seen as a blueprint for improving the lives of all South Africans and creating a democratic society by protecting the rights of its citizens. Firmly entrenched in the constitution is a bill of rights. Special issues which the bill of rights addresses include the right to life, the right to housing, the right to education, the right to strike, freedom of speech, the right to human dignity, the right to exercise the culture of your choice and the redistribution of land. The speed of the distribution process will depend on the ability of the government to compensate farmers or other landowners. At the heart of the new constitution is the focus on reconciliation, peace and security, which will be the natural outgrowth of equality, freedom and justice for all (Nxumala, 1997; *Financial Mail*, 1996; Esterhuysen 1996a; Esterhuysen 1996b, Malherbe & Rautenbach, 1998).

2.3.4 Healing the Wounds of Apartheid

The Truth and Reconciliation Commission (TRC) was the brainchild of President Mandela himself. The main goal of the TRC was to work through the pain of the past and reconcile any differences between the now White minority and the Black majority groups. The TRC would expose apartheid crimes that were committed by both sides. Offenders would be able to apply for amnesty. These offenders would have to confess any crimes which they were part of, in front of the TRC. The TRC had the power to grant amnesty to offenders (Waldmeier, 1996).

Sadly, the TRC has been criticised for being biased in its approach. De Klerk of the old National Party accepted full responsibility for the policies of his party but refused to take responsibility for the actions of the party's office-bearers, which the party was unaware of. De Klerk was attacked by the TRC for his failure to acknowledge that he was aware of police torturing and the murdering of political assassins.

On the other hand the ANC described apartheid as a "crime against humanity". The ANC condemned the use of necklacing to get rid of police informers. The ANC, however, refused to condemn the people who played a role in the struggle and who necklaced informers. Critics of the ANC believe that there is a contradiction in this part of the ANC's testimony. Furthermore, the ANC apologised for attacks which MK members carried out on innocent civilians. The ANC refused to take responsibility for making the country "ungovernable" and for its "liberation before education" policy.

The above-mentioned factors contributed largely to the crisis which the country is facing

right now. The TRC has widened the gulf between the two opposing parties rather than creating a climate of reconciliation. Both sides have committed atrocities, therefore it is important that each party take responsibility for its deeds. The lack of collective responsibility can be seen as the primary threat to the spirit of reconciliation (Myburgh, 1997; Bell, 1998). South Africa desperately needs a spirit of reconciliation between Whites and non-Whites, in which a love for diversity, and tolerance between different ethnic groups should be cultivated (Frost, 1998).

2.3.5 Land Reform

After the 1994 elections the Minister of Land Affairs, Derek Hanekom, announced a new agricultural policy. This policy advanced the cause of land entitlement and Black economic empowerment. The land policy focused on three broad issues:

- Restitution for people who were removed by force from their land during the apartheid years.
- Thirty percent of land should be distributed to Blacks by 1999.
- Legally enforced rights to occupy land would replace permits and other subservient forms of land rights (Ray, 1997).

Resistance from White farmers, as well as a lack of funds, has slowed down the distribution process (Southey, 1997).

2.3.6 Unions

Blacks were deprived of political as well as economic rights under the old dispensation. Trade unions were used as a mechanism of political expression by the oppressed masses. The role which unions played in the socio-political reforms in this country should not be underestimated (Finnemore and van der Merwe, 1992).

Cosatu is performing well in terms of membership in the new South Africa. Cosatu membership rose from 1.2 million members in 1991 to 1.9 million members in 1996. Cosatu still plays a powerful role in the socio-political transformation of South Africa (Fillita, 1996).

A more flexible labour law replaced the old, rigid, authoritarian apartheid labour laws in November 1996. This new labour law introduced a new dimension to the implementation of labour law in South Africa. Workers are now given more rights within the workplace itself and the new labour law sets out to eradicate workplace discrimination (NEDLAC, 1996; Dlodlu, 1999; Milne, 1996). Workers are now legally permitted to strike and to picket if they follow the correct procedure. Negotiations and

labour disputes may be settled by means of collective bargaining. Workers are now represented in the workplace by a workplace forum. Managers are not included in a workplace forum. The Commission for Conciliation, Mediation and Arbitration (CCMA) was formed to settle a large number of disputes, which will relieve the pressure on the Industrial Courts. NEDLAC (National Economic Development and Labour Council) was also formed to coordinate labour, business and economic matters. Large companies need to adapt to the change in labour relations (NEDLAC, 1996).

2.3.7 Production

Although the productivity level has risen since the 1994 elections, the cost of labour has also increased dramatically. South Africa's productivity level does not compare favourably to international standards. Business, the government and trade unions need to work together to combat the low level of productivity which is prevalent in South Africa today. The major challenge for South Africa is to move from a culture of resistance to a culture of production (Singh, 1997a; Scoombee, 1997; Bell, 1999). President Mandela has praised the unions for the role which they played in the struggle. On the other hand, he has criticised the unions for their inability to make the paradigm shift from resistance to nation building (Ginsburg, 1996).

Tension is escalating between Cosatu and the ANC government. It has become clear that there are some deep ideological differences between these two factions, especially in terms of the economic policy which should be followed. The ANC believes that the Growth, Employment and Redistribution (GEAR) policy can resurrect the country's economic fortunes. In contrast the trade unions take a supportive stance towards the outdated Reconstruction and Development Plan (RDP). These differences are not superficial. The future of the partnership between these parties depends on the quality of their leaders and their ability to reconcile their differences (Esterhuysen, 1997a; Mittner, 1997b; Singh 1997b).

2.3.8 The Second Democratic Election

The second democratic election was held in South Africa in June 1999. The ANC won the election once again by an overwhelming majority. Thabo Mbeki was elected as the new president of South Africa (Bezuidenhout, 1999). Mandela has left Mbeki a priceless legacy of political reconciliation. Although Mandela has achieved a degree of political peace and social stability, the expectations of previously disadvantaged people in South Africa are rising. Mbeki has to deal with problems related to the economy, unemployment, crime, corruption, and the affliction of AIDS (Acquired Immune Deficiency Syndrome) in a large portion of the South African population (Nelán, 1999).

Whereas the emphasis lay on “reconciliation” in the Mandela era, the emphasis will in all likelihood be on “transformation” during the Mbeki era (Hawthorne, 1999; Wilhelm, 1998).

Political changes in South Africa have progressed through numerous phases. Apartheid was dismantled, due mainly to internal pressure from the ANC and external pressure from the international community on the apartheid regime. A new political dispensation was negotiated between the ANC and the ‘old’ National Party. Consequently a new constitution has been created. The country has undergone a process of reconciliation. The current government is still facing a battle to shift the emphasis from a culture of resistance to a culture of nation- building among previously disadvantaged citizens of this country. The shift in political power has created new social and economic demands which need to create a process of transformation, in order for South Africa to take its rightful place in the international community.

2.4 SOCIAL CHALLENGES

South Africa has numerous social problems which need to be addressed. Government interventions, such as the RDP, have been implemented to address social problems and imbalances.

2.4.1 The RDP: Driving Force Behind the Social Re-Engineering of South Africa

In the heyday of apartheid, the NP used its power to generate wealth and to oppress the masses. Apartheid created the conditions which could ultimately have destroyed capitalism in South Africa.

The response to government control was widespread protest and civil disobedience by Black youth. A culture of disobedience was cultivated, which created the so-called “lost generation”. These South Africans had no education, were victims of broken-down extended families, and were exposed to extreme forms of violence. The new government is now faced with the challenge of repairing the damage which was caused by the apartheid state. Housing, education and development, job creation and the provision of health are all examples of areas in which the inequities of the past will have to be altered in the future (Ginsburg, 1996).

A controversial government policy, the RDP, was devised to restructure and address these past imbalances. The RDP White paper (ANC, 1994, p.7) defines the RDP as:

"An integrated programme, based on the people, that provides peace and security for all and builds the nation, links reconstruction and development and deepens democracy".

2.4.2 Housing

According to the new constitution, housing is a basic human right. Adequate housing has to meet certain set standards: enough space, a sound structure and satisfactory protection from environmental influences. Electricity should be provided to an additional 2,5 million houses by the end of the year 2000. Another long-term goal of the RDP is to provide every house with water and sanitation (ANC, 1994; Pretorius, 1998). Currently, the government is falling short of its target in the house-building component of the RDP. Progress has been dismally slow (Venter, 1998).

South Africa's housing costs are extremely high. If South Africa wants to meet the increasing demand for houses, then it must be willing to learn from other nations. Hudco, an Indian government enterprise, combined technology and finance, which enabled the scheme to provide millions of Indians with homes. Hudco used affordable materials such as fly ash and natural materials (for example mud bricks) to construct houses. Hudco also provided low-cost sanitation and night shelters to street dwellers (Freedman, 1995).

2.4.3 Health

Health structures have to be reorganised and restructured to meet the needs of millions of underprivileged South Africans (ANC, 1994). Primary health care has become more accessible to all sectors of society (Bell, 1999). In the past Blacks were subjected to an extremely poor standard of health provision. High on the priority list of the ANC is the implementation of programmes that can deal with the crisis of homelessness of children. Free health services will be provided to underprivileged children and pregnant women, according to the RDP (ANC, 1994).

High on the list of priorities of the RDP is the battle against AIDS. South African teenagers as young as twelve years old are sexually active. Sexual encounters between teenagers often take place without the protection of condoms (Sunter, 1997a). Approximately 7,5 million of the economically active population (18-45 years of age) were infected with the AIDS virus by the end of 1995 (Sunter, 1996). Proper health facilities for the treatment of the HIV virus and education on AIDS are all part of the RDP's battle plan against AIDS (ANC, 1994). Drug treatment of AIDS shows tremendous promise. However, only rich people will be able to afford the drugs which can effectively fight the AIDS virus (Zarembo, 1997).

The RDP has made its mission the education of people about the effects of drug abuse. Drug and alcohol abuse among South Africans are generally extremely high. Therefore it is important that support services are available to drug and alcohol abusers who need mental health treatment (ANC, 1994).

Drug abuse is not a problem only in South Africa; it is a global phenomenon. Drug pushing is the second largest business in the world today after tourism and followed by defence. International syndicates are always looking for new markets to infiltrate. South Africa's re-entrance into the world markets has made it a popular destination for drug distribution (Sunter, 1997a; Esterhuysen, 1997c). Drug pushers have become heroes to South Africa children, with their fancy clothes and grand cars. On Radio 702 one of the three all-time favourite songs was "Cocaine". Nihilistic values have attacked the hearts and souls of young South Africans.

The root of the problem has to be attacked. Education and mental health programmes in South Africa have to teach children correct values.. Children and adults should be made aware of the fatal consequences of drug and alcohol abuse, as well as the dangers of sexual promiscuity (Sunter, 1997a).

2.4.4 Training and Development

Human Resources should be developed by means of a process of continuous learning and training. The national goal for educational transformation is the formation of a single, effective coordinated educational system (Grobellaar, 1997). This goal led to the formation of a National Qualifications Framework (NQF), which enables learners to move up to a higher level of education from any starting point. The NQF has made training more efficient, flexible and accessible to the majority of South Africans. Within the framework of the NQF it is possible for learners to move between various institutions of learning and receive credit for the level of education which has already been obtained (van Dyk, Nel, Loedolf & Haasbroek, 1997).

In order for South Africa to become a world-class country, a skills revolution is needed (Joubert, 1995). The restructuring of the National Training Board (NTB), the forming of structures such as the NQF, and the green paper on Skills Development Strategy are all initiatives aimed at bringing about a skills revolution in South Africa (Gouws, 1997).

Adult Basic Education and Training (ABET) is an RDP training initiative of great consequence. The aim of ABET is to equip illiterate and semi-literate people with skills that are equal to the exit level of the formal schooling system. People will be taught basic literacy and numeracy skills which will greatly increase the efficiency and skill level

of the South African workforce (ANC, 1994; van Niekerk, 1996).

The transformation of schools and institutions of higher learning is sure to cause the government severe problems. Schools lack adequate facilities. It is important that the government should address the shortage of classrooms, toilets and telephone connections in schools (Esterhuysen, 1997b). Academic institutions should be prepared to handle the integration of different racial groups with a great deal of care, sensitivity and tact. Conflict has been evident in major academic institutions. Students often react with violence if they are pressured to pay outstanding tuition fees (Maharajah, Naidoo, Pampablis, 1995; Bell, 1999).

2.4.5 Crime

Social analysts often see crime as a by-product of apartheid. There are various reasons for the unacceptably high crime rate: poverty, homelessness, unemployment, and the large number of people who have been angered by social conditions in South Africa (Venter, 1998). Apartheid has deprived the majority of people of an opportunity to compete with the privileged class in their quest for wealth in the business world. Indirectly, apartheid has created a huge underclass that earns a salary far below the poverty line (van der Bijl, 1998). African unemployment is approximately around the fifty percent mark. Crime is seen as a solution to the money problems many underprivileged people face daily (Moleke, 1995).

Apartheid was criminal and violent in its nature. Violence was seen as politically correct by both sides, in order to defend their beliefs. The end justified the means. Numerous calls have been made to reduce the unacceptably high crime rate. The government has a limited ability to guarantee the safety and basic human rights of farmers and other communities, including Black communities. Unfortunately, the police are viewed with suspicion because of their oppressive role during the apartheid years. Transformation of the police force has resulted in improved relations between policemen and members of the community. These public relations efforts by the South African Police force seem to be paying dividends at this stage (Moleke, 1995; Esterhuysen, 1997d).

Corruption plays havoc in a large number of companies in South Africa. Ethics and moral values are often sacrificed. Fraud and theft have crippled many businesses. The operational costs of businesses become sky high if too much corruption occurs. Corruption has devastating effects and is as evident in the private sector as it is in the public sector (Haasbroek, 1997; Esterhuysen, 1997b; Leoka, 1997). Crime is also a deterrent to any foreign investment in South Africa (Bell, 1999).

Loubser (1997) believes that crime is a management problem. The South African Police

Force must learn how to manage crime. It is important that the police force and private sector combine their efforts in a coordinated fashion to make effective crime fighting possible. Another alternative is the utilisation of police officers from abroad who possess the necessary management skills. Police officers overseas are often exposed to Master of Business Administration courses. Effective management skills in the police force are needed if our society is to be successful in making a successful transition from the liberation struggle to a country in which law and order are respected and acted upon.

2.4.6 Job Creation

Job creation through public works and affirmative action is proposed by the RDP. As has been mentioned before, South Africa is experiencing an extremely high rate of unemployment (ANC, 1994). To complicate matters further South Africa's economically active population grew at a rate of 2,8 percent per year between 1980 and 1990 and is expected to grow at a rate of 2,7 percent between 1990 and the year 2005. Approximately one third of the economically active workforce is unemployed. South Africa's poorly skilled workforce finds it difficult to find formal work (Theron, 1996).

A decline of jobs in the present South African economy is evident (Bell, 1999). The South African government is under massive pressure to find job creating investments (Dludlu, 1999). South Africa's economy has to grow at least at a rate of six percent if it wants to effectively absorb new job entrants into the mainstream of the labour market. Job creation is difficult in a country in which economic activity is controlled by the government. A lack of foreign investment makes it even more difficult to create jobs (Loubser, 1997). In the end it influences the ability and the capacity of the entrepreneur to create and supply jobs (Naudé, 1998).

In order to create more jobs, it is of cardinal importance that South Africans use their skills and abilities to create their own jobs (Hosking, 1996). Entrepreneurial skills need to be developed (Hunt & Lascaris, 1998). New entrepreneurial leaders need to create a climate for entrepreneurs (Gluckman, 1996). On the other hand, government control of the country's economic system makes it difficult for the entrepreneur to remain in business and to embark on new ventures. Black entrepreneurs can play a positive role in creating more job opportunities. This will also increase the rate of Black empowerment. The Small Business Corporation can play a vital role in this regard (Loubser, 1997). Of all the challenges South Africa is facing at present, one of the most serious is to overcome the job creation obstacle if it is to be transformed into a peaceful society characterised by social harmony.

Issues revolving around housing, education, training and development, job creation, crime and health need to be resolved in order for South Africa to rise to the economic challenge.

2.5 ECONOMIC CHALLENGES

South Africa has a long and bumpy road ahead in its challenge to become a world-class country. This country is facing the following obstacles in its quest to become globally competitive: a huge amount of foreign debt which has to be repaid, high interest rates, a lack of foreign investment, a slow growth rate, a high frequency of labour strikes, and the inability of the government to incorporate the efficient part of the population into the economic system. At present, the rate of economic growth is dismally slow. The South African economy is unable to meet the present need and the population explosion (Bell, 1999).

2.5.1 World Competitiveness

South Africa's ranking in the World Bank's global competitiveness reports has hardly been flattering for the last couple of years (Birkin, 1997; Mittner, 1997c; Yadavalli, 1998). Drastic intervention is necessary to solve this issue.

The most dynamic transformational force in the world today is money. An attempt should be made to find and integrate the collective cultural experiences of all South Africans to increase production and generate wealth. In South Africa a cultural Renaissance is needed, which in turn should assist South Africa in its quest to find a niche in the global market. Successful political transition should be followed by a business revolution aided by the technological revolution, which in turn should create harmony between people who share different belief systems (Mbigi & Westbrook, 1998).

The government has launched a macro economic policy, GEAR, that aims at addressing the country's economic problems. Job creation is a vital component of the GEAR strategy (Mittner, 1997a). According to Huysamen (1997) it is essential that the economy should grow, which will lead to the creation of jobs, which in turn will lead to the generation of wealth. There is an ideological difference between the GEAR and RDP policies. GEAR is based on the principles of capitalism, whilst the RDP is socialist in its nature. Trade unions have objected to the capitalist nature of the GEAR policy. It is the responsibility of transformational leaders to reconcile the different viewpoints surrounding the inherent conflict between the GEAR and RDP policies (Mittner, 1997a).

All stakeholders should follow policies such as GEAR and the RDP very actively. People should unite in their common aspiration to create a better society in which economic growth, job creation and socio-economic development are essential (Esterhuyse, 1997a).

2.5.2 Developing Cities and Townships

In South Africa cities and towns need to be developed to their maximum capacity. Attention has to shift to the development of townships and rural areas. An infrastructure which encourages economic activity should be constructed in townships. A strategic action plan should be drawn up to turn this dream into reality.

There are two pre-conditions for developing an effective infrastructure in townships:

- Effective control over violence and crime in the township;
- Capable coordination by community leaders of township activities.

Money should be kept in the township. Markets should be created with a friendly African atmosphere. Open spaces should be utilised for entertainment purposes such as theatrical performances and musical extravaganzas. Flea markets should sell products like pots, vegetables, food and exotic clothes. The possibilities are nearly endless if the entrepreneurial spirit can be woken in the heart of South African townships (Freedman, 1995; Harrison, Todes & Watson, 1997).

In order to create a healthy economic environment, it is of the utmost importance that the township economies are integrated into the mainstream economy. Social contact between the township economy and the formal economy has to be encouraged in order to boost the economic spin-off from such a partnership, nationally (Sunter, 1998).

2.5.3 Business Transformation

Transformation of business is the hot new issue in the corporate world today. Businesses have to continually align themselves to adapt to ever-changing circumstances in the external environment, new management strategies and the rapid rate at which technology improves. Gouillart and Kelly (1995b) divide business transformation into four categories: *reframing*, *reconstruction*, *revitalisation* and *renewal*.

Reframing is the repositioning of the organisation from what it is today to what it can achieve in the future. *Reframing* consists of three dimensions: achieving mobilisation, creating a vision, and building a measurement system.

The workforce has to be mobilised in order for *reframing* to be successful. Employee commitment is essential if a successful transition from an old paradigm to a new paradigm is to be achieved. Workers should be actively involved in the change process. It is important that the workforce should be consulted on their viewpoints of what the most important strategies are for bringing about change.

The need for change should be made crystal clear to all stakeholders who are involved in the change process. Management should be encouraged by consultants to use an inclusive stance towards change. Trade unions and management should consult each other to determine the general direction in which the company is moving. Top management must not be hesitant in establishing a forum consisting of shop stewards, union officials and workforce leaders, to drive the change process. This forum should be elected, trained, and given the power to draw up a constitution that includes the basic principles concerning the change process (Mc Keefry, 1998; de Witt 1998).

Employee commitment should be directed towards a shared mental framework in striving towards a common vision. Challenging goals have the potential to create a sense of purpose and meaning in employees, which is essential for worker morale (Gouillart and Kelly, 1995b).

Visionary leaders realise the value of designing a customer orientation towards business, creating a clear value system and recognising the value of employee involvement and commitment (Kellas, 1997). An autocratic leadership style should be replaced by a more participative style of leadership. Visionaries realise the value of people and are committed to their development. A strategic direction should be taken and followed up by an extensive action plan (Birkin, 1997). This action plan should involve changes in capabilities, skills, organisational structures, organisational designs and the basic orientation towards customers and workers (Erasmus, 1997).

A measurement system should be designed. A reliable and valid measurement instrument is a useful device in detecting any changes in organisational effectiveness. When there is a movement towards the company's vision there should be notable differences in the financial, customer, and internal climate and training and development areas in the organisation (de Witt, 1998).

This vision should be translated into measurable targets and goals. Actions which will make goal attainment possible should then be identified (Gouillart and Kelly, 1995b).

Reconstruction is the art of achieving a high level of performance in a company by transforming it into a lean and fit system. Benefits and pay-offs are fast during the reconstruction phase. Friction develops between the "quick fix" solutions and the inherent difficulty of aligning the corporate culture to the long-term corporate reconstruction initiatives. A long-term approach is more effective and less turbulent in the long run. The reconstruction phase has been divided into the following three components: reconstructing the economic component of the business, aligning the physical infrastructure, and redesigning the work architecture (Gouillart and Kelly, 1995b).

The Chief Executive Officer (CEO) has three main tasks in constructing an economic model: managing the portfolio to build shareholder value, encouraging the definition of a high-level value chain for each business, and fostering the allocation of resources by activities based on costs and service level. The CEO builds shareholder value by challenging the shareholders on the following issues: which businesses the company should keep, which businesses the company should dispose of, and which businesses should be targeted for improvement. A high-level value chain should be created in order for the company to communicate its future plans. A high-level value change breaks down tasks into key activities, determines the sequence that should be followed, and links each task to a deeper economic purpose and strategic evaluation. Furthermore, the CEO must determine the financial cost of maintaining each company as well as the value it creates in relation to the profit it generates for the company.

Configuring the physical infrastructure of the company involves four tasks: formulating an operations strategy, developing a network strategy, aligning individual facilities, and articulating a sourcing strategy. Operational strategy has to be translated into operational goals which in turn have to be aligned to the physical infra-structure of the company (plants, factories and all other physical assets of the company). The different individual components of a company's physical infrastructure are in constant interaction with each other. Each individual component of the physical infrastructure affects the others in a variety of ways. A network strategy has to be formulated by the company to ensure the smooth running of the operational function of the organisation. Individual facilities have to be continuously aligned to the physical infrastructure. A large plant may, for example, be streamlined into a variety of smaller plants. A sourcing strategy should be formulated. The sourcing strategy formulates company policy and manages the external supply network, for example, distributors and suppliers (Gouillart & Kelly, 1995a).

A complex process known as work architecture completes all tasks in an organisation. *Redesigning* the work architecture is a vital part of business transformation. The work architecture has to be aligned to an integrated set of goals and measures, which will add value to the organisation. Effective work architecture enables companies to produce quality products and at the same time it produces goods at an ever-increasing rate. The increase of the production speed makes it possible for companies to catch up to the market leaders (Gouillart and Kelly, 1995b). Work designs are moving more and more into the direction of autonomous self-managed teams and systems that strive towards economic and democratic goals (Ndala, 1998).

Revitalization aims at increasing growth by linking the company to the external environment. The *revitalization* dimension of Kelly's model can be seen as the one single dimension, which distinguishes business transformation from downsizing. *Revitalization* can be divided into three components: achieving market focus, inventing

new businesses, and changing rules through information technology (Gouillart and Kelly, 1995b).

Achieving market focus is an essential ingredient of growth. South African companies need to become more customer-driven. Customer-driven organisations produce better-quality products and deliver a higher-quality service to their customers. International service trends need to be closely monitored by South African companies. Service conditions and service benefits become outdated and should be aligned to international market trends (de Witt, 1998).

Blem (1995, p. 6) defines service as "all activities which create a bond between organisations and their clients or customers". In order for customer loyalty to be maintained, the organisation should fulfil customer needs on a continuous basis and meet their expectations. Employees should be committed to meeting customer demands in order to create and maintain customer satisfaction with the company's service (Kellas, 1997). Products, services and marketing strategies need to be inter-linked as an interactive coherent whole (Birkin, 1997).

South African companies should not only meet customers' expectations in terms of the quality of products and services, but should exceed the expectations of customers (Misselhorn, 1997). South Africa needs to become more innovative and produce new improved goods that are able to compete in terms of international standards (Birkin, 1997). Human Resources Development intervention can play a large role in improving the quality of South African products and services by means of training interventions (Erasmus, 1997).

The invention of new businesses can be achieved in three ways. Firstly, this can be done by means of cross-fertilisation within the organisation. Core competencies in the organisation can be combined in a creative fashion, which will enable the company to meet unfulfilled customer needs. Secondly, alliances can be built with companies from the outside. The interaction of different ideas could create the breakthrough which companies need in order to gain a competitive edge in the market. Finally, core competencies can be combined by means of mergers or acquisitions from other companies (Gouillart & Kelly, 1995a).

Information technology creates the rules in modern business. Information technology continuously provides a new set of rules for competition between industries. The advantage of this approach is that it gives businesses new and innovative alternatives which enable them to compete (Gouillart and Kelly, 1995b).

Renewal deals with the people side of the business. Company morale should be kept high by developing the skills of workers. The renewal system consists of three

components: the reward structure, employee development, and organisational development.

Reward structures have to be aligned to company goals. Failure to follow this approach can act as a serious workforce demotivator. It is important that employees see their future in the company linked to the company's transformation process (Gouillart and Kelly 1995b). Discussion with the labour unions should establish how the reward process should be dealt with (Mc Keefry, 1998).

Employees should be encouraged by management to continually expand their skills and knowledge base. A change in a large number of individuals in the company is necessary if the transformation process is to be successful (Gouillart and Kelly, 1995b).

According to Manning (1997) the following four core competencies are needed to ensure that people can perform their work roles adequately:

- Competence: Workers need a basic set of competencies to ensure successful performance on of a given task.
- Confidence: Confidence is built by the successful completion of tasks.
- Connections: People need an effective network of sources, which they can consult when faced with a challenge.
- Credibility: Training is vital for a person's professional credibility. A person can be considered credible when he performs consistently well in all areas of his/her job.

Training and development have been sadly lacking in South African corporations. In 1997 South African companies spent 2.7 percent of their budget on training and development, compared to the 10 percent spent by Japanese companies and the 5 percent of the budget that was spent by the United States of America (USA). However, the 2.7 percent of the budget spent by South African companies compares well with other middle-income countries (Erasmus, 1997; Mittner 1997b).

In South Africa, training is high on the government's priority list. A green paper on the development of skills was published at the beginning of 1997. The aim of the green paper is to increase the knowledge and skills base of South African workers, which should increase the productivity rate. A higher productivity rate would in turn stimulate the country's growth rate (Erasmus, 1995).

Organisational development involves the re-organisation of the company in order for it to meet changing circumstances in the external environment. It is important that the organisation produces synergy among individuals and creates a sense of community in all departments of the organisation (Gouillart and Kelly, 1995b). Team members should be motivated to see change as a challenge, in order for them to get involved and make it

work. Ideas must be tapped from workers, who will enable management to use methods that are worker-friendly to drive the change process.

2.5.4 Incorporating African Muscle into South African Organisations

Blacks have been incorporated into the top structures of the private sector as well as the public sector. Reform has been successful. Reform is not the challenge; transformation is the real challenge. Black empowerment has been limited to top positions in companies, but Black empowerment should be supplemented by Black advancement. It is important that Black people in the lower levels of the organisation should be promoted to a higher level according to their abilities. Therefore it is important that Black talent be developed, rather than going for a "quick fix" solution by promoting people to their level of incompetence. Black entrepreneurs have entered the South African economy with a great degree of success (Cloete, 1997; van der Kooy, 1997; Marais, 1997).

The new Employment Equity Act forces South African companies to incorporate Blacks into organisations (Bews and Martins, 1997). Affirmative action strategies should be developed. Targets should be set and followed by an extensive action plan. It is important that affirmative action should not be forced, but that a clear direction is taken that is backed up by progress in the general direction of incorporating Black South Africans into South African corporations (Norman, 1998). According to Norris (1996) affirmative action has not been successful in its totality. Currently it is extremely important to manage the diversity that has been created by affirmative action.

2.5.5 Managing Diversity

Historically, South Africa has been divided into two broad groups. One group supports White supremacy and capitalism whilst the other group supports Black nationalism and socialism. The capitalist orientation of the Europeans has been ascribed to the influence of the French Huguenots. On the other hand, African culture is characterized by a sense of community reflected by the spirit of *ubuntu* (Bendix, 1992).

Diversity can lead to sexism, racism, prejudice and eventually conflict and even hatred among members of a diverse workforce. Therefore cultural training is of the utmost importance if an organisation wishes to manage diversity successfully (Kemp, 1997).

Training should focus on personal empowerment and not on a specific group of people. Managers have adapted incrementally to a more diverse workforce, but have not transformed their attitudes. Managers should be taught to perceive race and gender as part of more unique, individual identities. Although people are part of a group, which has

a certain culture, South Africans interact with a variety of people as individuals who have unique, energetic and fluid identities. Negative expectations that people associate with certain stereotypes need to be addressed. Interaction in organisations should be based on personal responsibility rather than prejudice, racism and sexism (Human, 1996; Human, 1997).

2.5.6 African Culture

African culture can be used as a change mechanism enabling South Africa to become globally effective. Traditionally Africans have a strong work ethic (Broodryk, 1998). Unfortunately the African work ethic has been undermined by turbulent employer-employee relationships during the apartheid years. A culture shift took place in African culture from a culture of cooperation to a culture of resistance.

In traditional African culture the king was the employer. The king had a strong moral code, which he had to follow: he was not allowed to steal from, abuse or disrespect employees. African workplaces were characterised by definite rules, procedures and regulations. The traditional method of motivation was correcting a worker's mistakes and praising him for a job well done.

Organisations should create a homely environment in the workplace. Rights and rituals should be part of the workplace. In African culture it is the task of the employer to provide for the employee. Employees should realise that the quality and quantity of products is essential for the survival of their company and their own wellbeing (Productivity SA, 1996). Incorporating unique African traits such as *ubuntu* into the corporate world will give South African corporations a distinct business culture, which will be difficult to emulate by other nations in the global market (Theron, 1996).

2.5.7 Ubuntu

Ubuntu is a policy that emphasises humanness (Kopolo, 1997). Principles such as sharing and caring are vital ingredients of *ubuntu*. Leadership should be based on the principles of *ubuntu* in the organisation. In African tradition democracy is a vital component of leadership. Democracy allows anybody to speak, regardless of his social standing. Discipline is executed by means of an open style of leadership. This leads to trust and the spontaneous participation of all members of the tribe. The open style of leadership enhances contact with the leader, who has the power to discipline, which in turn leads to openness in the African mode of discipline.

Managers have to realise that it is impossible to apply rigid Western standards in an African environment. Cultural aspects to consider, according to Saunders (1998) and

Broodryk (1998), are:

- *Simunye*: The spirit of including each member into the whole or system.
- *Nkosi Sikelela*: Africans bless God because he is good. This viewpoint reflects the intensely religious nature of African people.
- Humanness.
- Informality: Africans are informal in their very nature. Activities include laughter, spontaneous chatter and singing.

South African transformational leaders need to make a paradigm shift from a focus on physical assets towards visionary people-orientated leadership. Reaching win-win solutions will create a sense of cultural synergy unparalleled in the rest of the world. South Africa has its own unique needs and challenges, which implies that a unique leadership style should be developed that fits the South African situation. Leadership should be based on a multi-cultural style of leadership creating cultural synergy between all the members of an organisation in the decision-making process, which will enable the company to reach its objectives (Saunders, 1998; Covey, 1992b; Ngwenya, 1997).

Ubuntu with its rich emphasis on solidarity, inter-dependence, love, and a harmonious working spirit, is a refreshing new direction. If South Africa is to succeed in its aspirations of becoming a winning nation, leaders are needed who have the courage to venture into the unknown (Mbigi & Westbrook, 1998). Once the economic challenge is met, South Africa could possibly reach a period of unknown economic revival by effectively utilising modern technology.

2.6 TECHNOLOGICAL CHALLENGE

Burgelman and Maidique (1988, p. 32) define technological development as "Activities involved in putting inventions to practical use". It is of vital importance that South African businesses utilize information in order to make quality decisions, which will give them a competitive edge (McLagan and Nel, 1996). Therefore it is of vital importance that South African managers learn the necessary skills in order to manage technology successfully (Twiss, 1974).

According to Sunter (1996), Peter Schwartz (CEO of the Global Business Network) distinguishes between two types of industries, "lock-in industries", and industries that are in a state of "perpetual transition". Astronomical amounts of money can be made in a lock-in industry because the technology lasts for a long time. For example, horses were the main forms of human transport for centuries. People bought stables, saddles and stagecoaches to meet their transport needs. Eventually, the automobile replaced horses. An electronic motor or another form of hybrid engine will eventually replace the internal combustion engine. This will lead to a new "lock-in" industry. In some instances

lock-in technologies can co-exist. The car did not take trains out of business. Instead, the function of trains changed. Trains are now used as a means of mass transport in cities and for carrying cargo.

On the other hand, an industry in perpetual transition is faced with technologies that advance at a rapid rate. The life cycle of products is measured in months rather than in years. IBM (International Business Machines) set the trend for computer technology for years. Better models regularly replaced mainframes. The computer business switched to a state of perpetual transition with the birth of the personal computer (Sunter, 1996). Within months, computers need to be upgraded in order for them to work faster and more efficiently. The life cycle of the PC (personal computer) is short. It takes a competitor approximately six months to come up with a computer model with a larger memory bank and better microprocessor (Sunter, 1997a). Today the PC is threatened by the arrival of network computers. Network computers are able to download programs directly from the Internet (Sunter, 1996).

Computers are a cheap but accurate mechanism for data processing. Electronic messages are cheaper than paper messages. Storage can be done more effectively and cost-effectively on computers than by files and people (Wilson, 1997). These advantages enable companies to deliver a better level of service to their clients (Callon, 1996).

Scientists of the United States Defense Force originally used the Internet. Eventually control over the Internet was relinquished by the defense force. Today the Internet is accessible to the average owner of a PC (Wilson, 1997), which has the following uses:

- E-mail: E-mail can be used by businesses to interact with employees and clients worldwide.
- Businesses can build their own web site, which will enable them to advertise their products and services. South African businesses can use the Internet to their advantage by promoting products that are unique to South Africa, such as biltong, African clothes, African art and herbal teas used by *sangomas* in the Eastern Cape and Natal, as well as publicising our 500 most attractive resorts.
- Publications and information can be obtained daily by businesses on the latest product developments, management techniques and business trends (Wilson, 1997; Freedman 1995).

Technology makes it possible to educate an enormous number of people at the same time. Digital and telecommunication technologies can revolutionise the educational system in South Africa. The Internet involves students in the learning process, gives students greater control over what they learn, and empowers students by making information from all over the globe accessible to everybody that owns a PC. Television,

audiographics, videos, computer networks and digital television can be used for distance education (Eager, 1996).

The technological explosion should be seen as an opportunity for South Africa to become globally competitive. Scenario planning must be carried out by businesses to adapt to the ever-changing world. Strategies need to be utilized to the advantage of the business. South Africa cannot afford to make the same mistake as IBM. South African companies must be willing to learn from the mistakes of international companies (Sunter, 1997 b). It is therefore essential that technology be used to increase the quality and quantity of South African products. Effectiveness in service and production can be increased by utilizing the cyberspace network (Sunmuno, 1997).

2.7 SUMMARY

South Africa needs dynamic transformational leaders to bridge the challenges that the country is facing today. Political, social, economic and technological problems need to be solved by means of effective, action-orientated leadership. Various leadership theories as discussed in chapter 3 describe leadership as situational. Taking these theories into account visionary transformational leaders is needed in order for South Africa to become globally competitive.

CHAPTER 3

LEADERSHIP

3.1 INTRODUCTION

In order to understand the various challenges that leaders need to rise to in South Africa, it is necessary that readers have a broad and detailed insight into a wide range of various leadership theories. For reasons described earlier, it was decided to give a detailed overview to the reader on various leadership theories.

Leadership is a necessary condition for organisational functioning and effectiveness. There are several reasons why managers should study and develop leadership competencies. Firstly, managers need the ability to influence the behaviour of subordinates. Secondly, leadership is necessary for motivating subordinates as well as other people the leaders want to influence in the organisation. Finally, leadership appears to be a scarce resource in organisations throughout the world at present (Randolph and Blackburn, 1989). In the light of these comments, leadership seems critical for organisational development into this millenium.

3.2 A DEFINITION OF LEADERSHIP

Leadership appears to be a complex and elusive concept to define. There are almost as many definitions of leadership as there are people trying to define the concept. Bennis in Yukl (1998, p.2) reflects on the complexity of finding an single, valid and integrated definition of leadership as follows:

"Always, it seems, the concept of leadership eludes us or turns up in another form to taunt us again with its slipperiness and complexity. So we have invented an endless proliferation of terms to deal with it ... and still the concept is not sufficiently defined."

According to Yukl (1998), researchers tend to define leadership according to their individual perspectives of the term. Yukl (1998, p.2) states that *"leadership has been defined in terms of traits, behaviour, influence, interaction patterns, role relationships, and occupation of an administrative position."*

According to Hersey and Blanchard (1996, p.2), most writers of leadership literature agree that:

"Leadership is the process of influencing the activities of an individual or a group in efforts toward goal achievement in a given situation."

For the purposes of the literature study, all definitions are listed in a chronological order from the more fresh modern definitions to the more classical and original definitions. This enables the reader to blend modern definitions with more original definitions that should give the reader an excellent understanding of the leadership construct. The following are some representative definitions of the leadership construct:

- According to Charlton (1996, p.24), leadership is "the competencies and processes required to enable ordinary people to do extraordinary things in the face of adversity – and constantly turn in superior performance to the benefit of themselves and the organisation/country".
- "Leadership is the process whereby one individual influences other group members toward the attainment of defined group or organisational goals." (Greenberg and Baron, 1993, p.444)
- Leadership is "the ability to influence a group towards the achievement of goals." (Robbins , 1993, p. 365)
- "Leadership is a reciprocal, transactional, and transformational process in which individuals are permitted to influence and motivate others to promote the attaining of group and individual goals." (Forsyth, 1990, p.216).
- A distinction between leadership as a process and leadership as a property can be drawn when defining leadership. "As a process, leadership is the use of noncoercive influence to direct and coordinate the activities of group members towards goal accomplishment. As a property, leadership is the set of characteristics attributed to those who are perceived as to employ such influence successfully." (Griffin and Moorhead, 1986, p. 347).
- "A leadership process usually involves a two-way influence relationship aimed primarily at attaining mutual goals, such as those of a group, organisation or society. Therefore, leadership is not just the job of the leader but also requires the cooperative efforts of others" (Hollander, 1978, p.2).

Leadership can thus be seen as a two-way reciprocal process between leader and follower. The leader influences subordinates by means of persuasion (in some instances coercion) to engage in certain actions, which will enable the group to reach certain goals. Leadership is often transformational in nature and leads to superior performance of the group as well as the leader, to the advantage of the organisation/country.

3.3 MANAGEMENT VERSUS LEADERSHIP

Managers and leaders are similar in many respects. Managers are concerned with influencing people and so are leaders. Managers, as well as leaders, work with people. Managers are just as involved in the goal accomplishment process as leaders (Northouse, 1997).

However, there are some distinct differences between management and leadership. **Table 3.1** highlights these differences. It was decided to use Kotter's (1990) version of the distinction between management and leadership functions. The reason for this is that Kotter is a leading contemporary theorist in the field of change management. Kotter's distinction between management and leadership is often used in literature, for example, in Northouse (1997).

The main difference between leadership and management, according to Covey, Merrill and Merrill (1996, p. 268) is that "management works in the system", while leadership "works on the system". The functions of leaders and managers often overlap. A person can be a manager, or a leader, or both (Griffin & Moorhead, 1986). Managers are mainly concerned with creating order and stability in the organisation. Leaders are concerned with changing the structure, design and climate of the company. Management and leadership can be seen as related but distinct concepts (Blunden, 1989). The leader can be seen as the figurehead in the organisation, driving the change process, while managers implement the structures proposed by the leader in order to maintain stability in the organisation.

Table 3.1 The Difference Between Management and Leadership Functions

Management Functions	Leadership Functions
Planning and budgeting	Vision building and implementing strategies
Organizing and staffing	Aligning people and communicating ideas
Controlling and problem solving	Motivating and inspiring followers
Produce order and stability in the organisation	Initiate change in the organisation

(Kotter, 1990, p. 6)

3.4 THE TRAIT APPROACH TO LEADERSHIP

According to the trait theory of leadership there are certain personality, social, physical or intellectual traits that differentiate leaders from nonleaders (Robbins, 1993). The hypothesis underlying the trait theory is that natural leaders are born rather than made. The "Great Man" theory of leadership suggests that leaders are born with a key set of

traits, which separate them from ordinary mortals. The "Great Man" theory postulates that these key traits remain consistent over time and across different groups or situations (Greenberg & Baron, 1993; Blunden, 1989).

The "Great Man" theory evolved into a more realistic trait theory of leadership. This theory accepted that, although key traits of leaders could be genetically determined, these traits could also be acquired through learning and experience. According to the trait approach, leadership traits remain consistent over time and situations (Greenberg & Baron, 1993). Hundreds of possible traits, which separate leaders from nonleaders, have been identified (Blunden, 1989). However, researchers have had a torrid time finding a consistent number of key traits that all leaders possess (Robbins, 1993; Sears, Peplau & Taylor, 1991).

Five character traits which are often reported in research articles, are intelligence, self-confidence, determination, integrity, and sociability (Northouse, 1997). Bass (1990b) reports that 18 out of 23 studies concluded that there is a relationship between leadership and intelligence. However, studies suggest that followers resent being led by a leader who has a much higher level of intelligence they have. Leaders need to understand the needs of followers and have the ability to relate to them despite a superior level of intelligence (Hollander, 1978; Gibson, Ivancevich & Donnely, 1991). Leaders have a high degree of self-esteem, self-confidence and trust in their own abilities (Greenberg & Baron, 1993; Gibson, Ivancevich & Donnely, 1991). Determination is the desire to get a job done. Characteristics such as initiative, persistence, dominance and drive can be seen as components of determination (Northouse, 1997). It is important that followers see leaders as trustworthy, reliable and open (Greenberg & Baron, 1993; Gibson, Ivancevich & Donnely, 1991). Leaders should be seen as friendly, outgoing, sociable, tactful and diplomatic (Northouse, 1997).

The trait approach of leadership has certain limitations. Researchers have criticised the trait approach for its inability to take the effect of situational factors on personality into account (Hollander, 1978; Robbins, 1993). However, a study by Zaccaro, Kenny and Foti (1991) found that emergent leadership is consistent over situations. Furthermore, this investigation indicated that "59% of the variance in leadership emergence was trait based". However this theory is limited by the lack of a coherent list of traits which all leaders should possess (Hollander, 1978; Northouse, 1997). If leadership were indeed largely genetically determined, the training and development of leaders in an organisation would be without substance.

3.5 BEHAVIOURAL APPROACH

The behavioural approach resulted from dissatisfaction with the trait approach, which

was unable to pinpoint an exact combination of leadership traits. This approach stems from the belief that different actions produce different results. According to the behavioural approach leaders have certain behavioural patterns which distinguish them from nonleaders (Robbins, 1993).

The shift from the trait approach to the behavioural approach led to behavioural studies of leaders at the Universities of Iowa, Ohio and Michigan.

3.5.1 Iowa Studies

A classic experiment conducted by Lewin, Lippit and White in 1930 divided leadership behaviours into three basic categories: authoritarian, laissez-faire, and democratic leadership styles.

Teenage hobby clubs were used to test the effect which each leadership style had on the behaviour of the boys. Each group was subjected to a different leadership style. For the purposes of the research the authoritarian leader was rigid and impersonal in his approach and group participation was prohibited. Praise as well as criticism was given to the boys. On the other hand, the laissez-faire leader gave the boys full reign and total freedom. The boys experienced a total absence of leadership. The democratic leader allowed the boys full participation in the decision-making process (Luthans, 1989; Truter, 1989).

The autocratic style led to apathy and aggression in the boys and the laissez-faire style led to an extremely high rate of violence, while democratic leadership was the most effective leadership style. Although it is not possible to generalise the findings of this study to the adult world of work, it made a significant contribution to leadership studies. Researchers then came to the conclusion that different behavioural patterns in leaders elicited a diverse set of behaviours in followers (Truter, 1989).

3.5.2 Ohio Studies

In the 1940s, researchers in the Ohio studies used questionnaire research to identify effective leadership behaviours. Subordinates were asked to describe the behaviour of their superiors in the questionnaires (Yukl, 1994).

Researchers identified over a thousand dimensions from the questionnaires. These dimensions were finally narrowed down to two dimensions: initiating structure, and consideration. Initiating structure is the extent to which the leader defines and structures the tasks of his/her subordinates in their collective search for goal attainment. The

consideration dimension indicates the degree of supportive concern that the leader shows for the feelings and ideas of followers. Consideration for followers leads to a climate of mutual trust between leader and followers (Robbins, 1993; Gibson, Ivancevich & Donnelly, 1991; Blunden, 1989).

3.5.3 Michigan Studies

The Michigan studies were undertaken at the same time as the Ohio studies. These studies focused on the impact the leaders had on the performance and effectiveness of followers. Two types of leadership behaviours were identified during the course of the Michigan studies: production, and employee orientation (Robbins, 1993).

Employee orientation emphasised leaders who were strong on the human relation aspects of leadership (Northouse, 1997). An employee-orientated leader takes into consideration the intellectual needs as well as the individual needs of followers (Robbins, 1993). The production-orientated leader focuses on the task at hand as well the technical aspect of the job. A production-orientated leader is result driven. There is a strong similarity between the production-orientated leader and the initiating structure dimension of the Ohio studies (Northouse, 1997).

Interesting findings were made during this study. Effective leaders did not perform the same functions as their subordinates. A large amount of time was spent by these leaders on such aspects as planning, controlling and coordinating the activities of their followers. Result-orientated, effective leaders maintained and built considerate, supportive relationships with subordinates (Yukl, 1998). These studies largely support the effectiveness of the employee-orientated leader. Employee-orientated leaders inspired higher levels of production and job satisfaction in subordinates than production-orientated leaders (Robbins, 1993).

3.5.4 The Managerial Grid

Blake and Mouton developed the managerial grid in the early 1960s. The managerial grid is based on two types of leadership styles: concern for people, and concern for production. These two styles basically represent the consideration and initiating structure dimensions of the Ohio studies and the employee-orientated and production-orientated dimensions of the Michigan studies (Robbins, 1993). Concern for production reflects the value that the leader attaches to the completion of tasks. Concern for people indicates the manner in which the leader treats his subordinates who are instrumental in fulfilling goals.

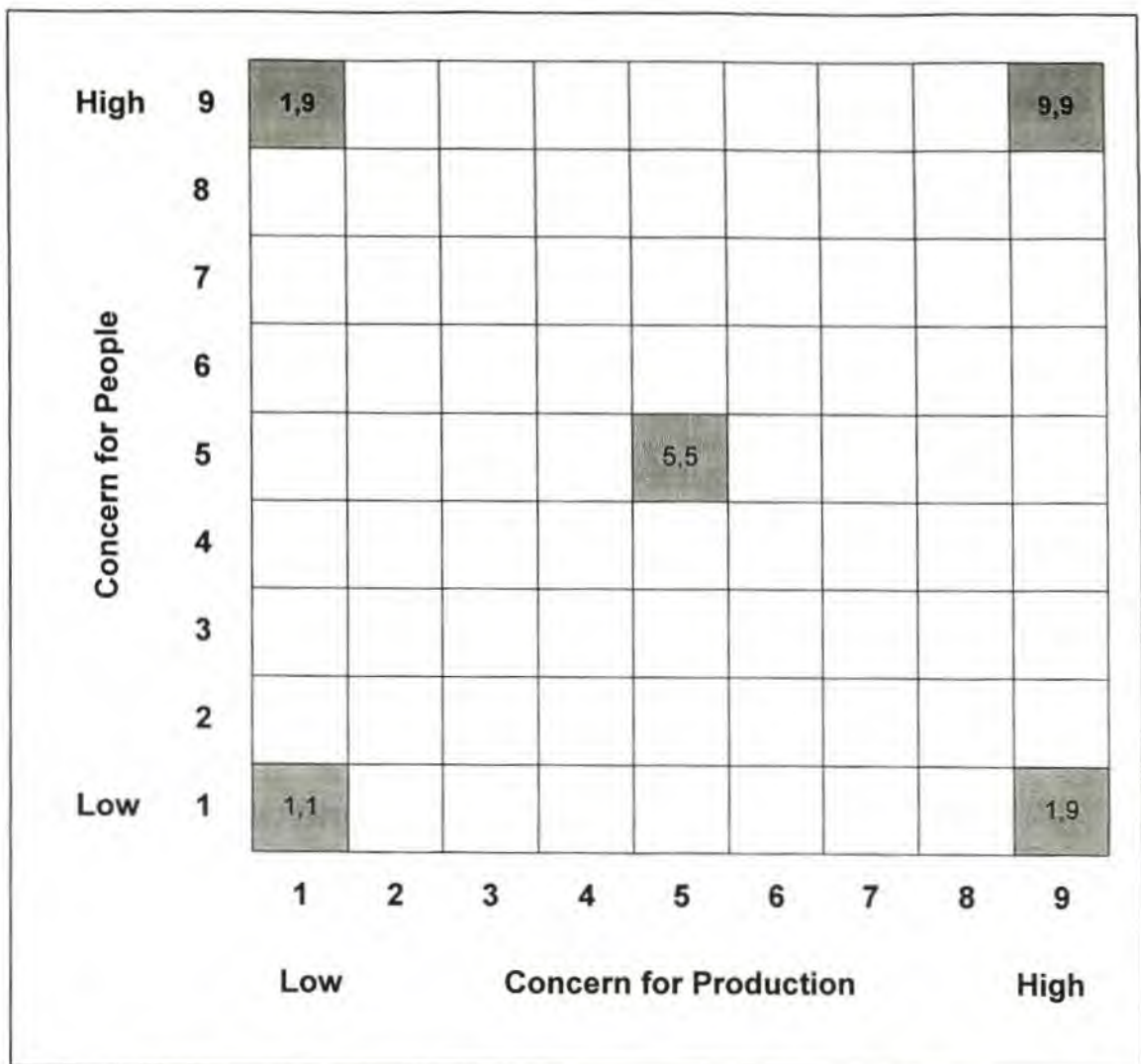
In **Figure 3.1** on page 40, the horizontal axis represents the concern for results dimension, while the vertical axis represents the concern for people dimension. Each axis consists of a nine-point scale, which provides for 81 possible positions on the grid. There are 5 basic leadership styles on the managerial grid: authority-compliance manager, country club manager, impoverished manager, middle of the road manager, and team manager.

The authority-compliance manager, or 9.1 manager, rates high on the concern for task dimension, while this leader shows little or no concern for people. Characteristics of the 9.1 leader are a need for control, mastery, and domination of tasks. This manager fears failure and will go to extremes to avoid it. Production is seen as a means to reach achievement. People are seen as obstacles in the production process unless they comply one hundred percent with the instructions of the manager (Blake & Mouton, 1978).

In contrast the country club manager, or 1.9 manager, shows a high concern for people, but has little interest in the production process. The 1.9 manager emphasises warm and friendly relationships with subordinates. All too often the country club manager bends to the demands of the followers and tries to please everybody. The country club manager accepts the opinions of followers without attempting to push through his/her own ideas. A high rate of production is unlikely in the short or long run (Blake & Mouton, 1978; Northouse, 1997).

The impoverished manager, or 1.1 manager has a low rating on both dimensions of the grid. This is a non-directive or laissez-faire form of management. The 1.1 manager is not committed to mastering the task and is not popular with the people in his/her immediate environment. Production levels plummet to unacceptably low levels (Blake & Mouton, 1978; Northouse, 1997; Robbins, 1993).

The middle of the road manager, or 5.5 manager, receives an average rating on both dimensions of the managerial grid. A manager that plays the popularity game characterises this style of management. Decisions are made on what the majority of people feel and want. The 5.5 manager has the ability to understand the feelings and thoughts of others. Decisions are based on the needs of the majority of followers. Compromises are made during the decision-making process in order for the manager to gain the approval of his/her followers. Risk-taking is kept to a minimum by the 5.5 leader. A satisfactory level of production is maintained, while employee morale is kept at a satisfactory level. Unfortunately, the 5.5 leader shows no or little initiative (Blake & Mouton, 1978).



**Figure 3.1: A Graphical Representation of the Managerial Grid
(Blake & Mouton, 1980, p.12)**

Team managers, or 9.9 managers, are concerned with results but also have a high degree of consideration for followers. In team work, members are encouraged to participate in the decision-making process. A high degree of commitment and involvement is characteristic of this style of management and the same is expected from followers. The team manager has clear, definite convictions of his/her own but also has considerable ability to integrate the thoughts of others. After the ideas of the followers and leader are integrated, the information is used to execute decisions. The confidence and enthusiasm of the 9.9 manager are contagious and are picked up by others. Team managers have the ability to motivate others and have innovative solutions to problems, which lead to highly effective results (Blake & Mouton, 1978; Blake & Mouton, 1980).

The managerial grid makes provision for two other styles of leadership, namely the

paternalism/maternalism and the opportunism styles. These two styles are more flexible and integrative styles of leadership.

The paternalism/maternalism leadership style is characterised by a leader who uses both the 1.9 and the 9.1 leadership style but never integrates the two. The leader acts with grace but not for the purposes of goal attainment like a benevolent dictator. People are treated as if they are dissociated from the task. Opportunistic leaders use a combination of any five styles of the managerial grid. There is usually a dominant style, and a back-up style that is used when the leader is under pressure. The back-up style is used when the leader does not get results from the dominant style (Northouse, 1997; Bass, 1990).

The styles approach to leadership has shifted the focus from leadership traits to leadership behaviours. Two major types of leadership behavioural dimensions have been identified: task and relationship (Northouse, 1997). Unfortunately, research does not indicate how leadership styles relate to effectiveness across situations (Northouse, 1997; Brook, 1993; Robbins, 1993).

3.6 SITUATIONAL THEORIES

Situational theories hypothesise that a leader with a certain set of personality traits and habitual patterns of leadership behaviour might be effective in one situation, while the same leader might be less effective or ineffective in a different situation. What is seen as effective leadership in one situation could be seen as disorganized incompetence in another situation. Therefore a great leader should be able to be flexible in order to adapt to a variety of situations and differences in individual followers. This dissertation deals with three situational theories, namely: Fiedler's Contingency theory, House's Path-goal theory and Hersey and Blanchard's theory of Situational Leadership.

3.6.1 Fiedler's Situational Theory

Fiedler's contingency theory proposes that group effectiveness is influenced by the leader's style of interaction with followers, as well as the degree of control which the leader has over his/her followers (Robbins, 1993). **Figure 3.2** on the next page explains the causal relationship in Fiedler's Contingency model.

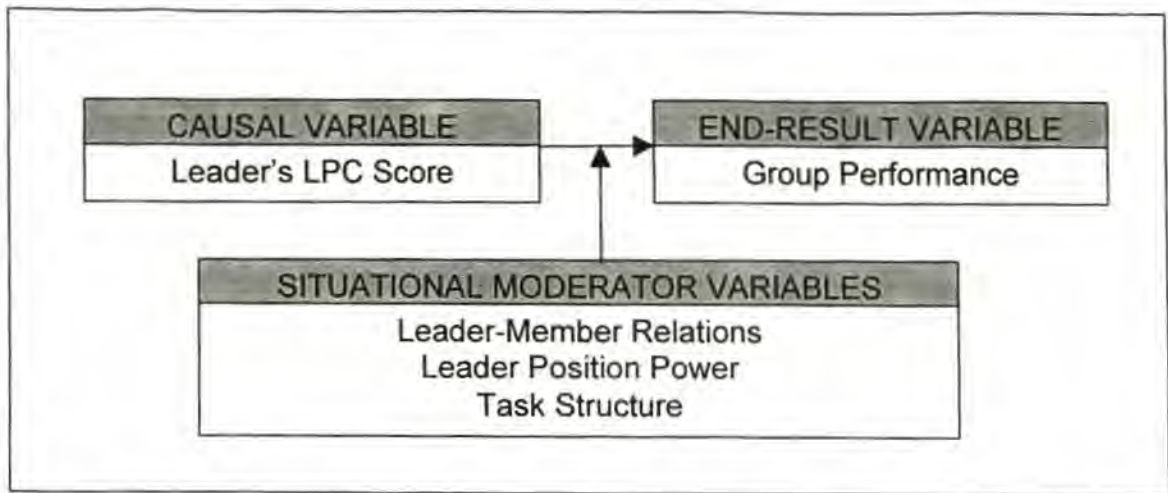


Figure 3.2: The Causal Relationship in Fiedler's Contingency Model
(Yukl, 1981, p. 137)

To Fiedler the most important characteristic which influences leaders is their affection for their least preferred co-worker (LPC). Low LPC leaders see the co-worker in an extremely negative light. High LPC leaders see their co-worker in a more positive light and are mainly concerned with maintaining good relationships with their subordinates (Greenberg & Baron, 1993; Robbins, 1993; Lee, 1980).

Is the high LPC leader more effective than the low LPC leader? According to Fiedler (1971) it depends on the situation. Low LPC (task-orientated leaders) will perform effectively in extremely favourable or extremely unfavourable situations. The high LPC leader will perform well in a situation which is moderately favourable (Robbins, 1993; Brook, 1993). These studies are strongly supported by data from field studies, and partially supported by data from laboratory studies (Fiedler, 1971; Csoka, 1975). A study conducted by Chemers, Hays, Rhodewalt and Wysocki (1985) reported that leaders whose leadership style "matched" the situation had lower levels of job stress, fewer health problems, and missed fewer days of work than leaders who were "out of match". Fiedler suggests that the situation should be adapted to fit the leadership style. Environmental as well as individual differences should be taken into account (Truter, 1989).

The situation can be defined by assessing the following three dimensions: leader-membership relations, task structure, and position power (Luthans, 1989; Blunden, 1989; Lau & Shani, 1988). Leader-membership relations are seen as the most important factor influencing the situation (Howell & Dipboye, 1982). Leader-membership relations refer to the degree to which followers feel attracted to, trust, and feel loyal towards, their leader (Northouse, 1997). The task structure indicates the degree to which tasks are

structured (Blunden, 1989). Position power indicates the degree of influence which the leader has in the formal structure. Decisions that the leader makes can influence the lives of followers. A leader in a high position has the power to dismiss, promote, or discipline employees (Robbins, 1993).

Leadership style is determined by the needs of the individual leader to satisfy his/her leadership style. A “mismatch” between leadership style and the situation threatens the leader’s need for gratification. Performance is dependent on the right blend between the situation and the leadership style (Fiedler, 1967).

The contingency theory introduced situational factors into leadership theory. It is now widely recognised that people are not equally effective in all situations. Fiedler’s contingency theory stressed the importance of developing a leadership profile. However, the contingency theory does not explain why some leaders are more effective than others. It is difficult to assess the leadership style as well as complex situational variables. What does the organisation do if there is a “mismatch” between leadership style and the situation? It is not easy to change the situation in order to fit the leader’s style (Northouse, 1997). Results that have been used to support this theory have not always met the scientific criteria for reliability (Blunden, 1989).

3.6.2 Path-Goal Theory

According to the House’s path-goal theory, subordinates are satisfied with a leader only to the degree to which the leader assists and motivates them in achieving personal goals (Brook, 1993). Effective leader motivational behaviour is characterized by satisfying the needs of followers according to their level of performance. It is thus essential that the leader provides coaching, support and rewards that are essential for motivating followers and raising the standard of their performance (Robbins, 1993).

The path-goal leader defines goals, clarifies the path, removes obstacles, and provides support to followers (Northouse, 1997; Koontz, O’Donnel & Weirich, 1980). This theory takes into account such variables as leadership behaviour, situational variables, and subordinate characteristics and expectations, to produce the desired result (high levels of performance and follower satisfaction). **Figure 3.3** on the next page outlines the causal relationships in the path-goal theory.

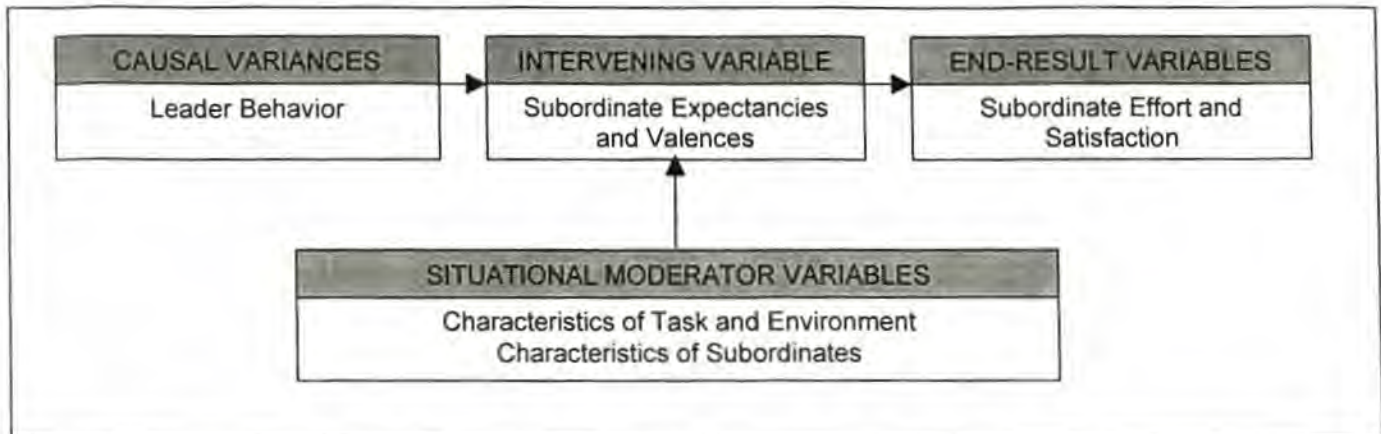


Figure 3.3 The Causal Relationship in House's Path-Goal Model of Leadership (Yukl, 1981, p. 147)

Four types of leadership have been identified by research on the path-goal theory: supportive, directive, participative, and achievement-orientated leadership. A leader who establishes strong relationships with subordinates and creates a friendly working environment is what characterises supportive leadership. Directive leadership is all about initiating structure. It is critical that followers know what to do, and what procedures and routes to follow when working on a task. Directive leaders assist subordinates and guide them through work processes. The participative leader takes into account the ideas, suggestions and advice of subordinates. Achievement-orientated leaders set challenging goals and expect followers to perform at peak levels in order to make goal attainment possible (Yukl, 1998; Luthans, 1989).

The characteristics of the subordinates will guide and mould their perceptions and expectations of the leader. Different leadership styles suit different types of followers. Subordinates who have a high need for affiliation are suited to a supportive type of leadership. In contrast, subordinates who possess authoritarian natures will prefer a directive style of leadership that provides clarity on tasks to be performed.

According to Northouse (1997) human beings have either an internal locus of control or an external locus of control. A person with an internal locus of control believes that he is the master of his own destiny, while an individual with an external locus of control believes that he is at the mercy of external forces. A follower with an internal locus of control will prefer a different type of leadership style to an individual who has an external locus of control. Subordinates with an external locus of control prefer directive leadership because it aligns their feelings with external forces which control their lives. People with an internal locus of control prefer participative leadership because it gives them the opportunity to influence the decision-making process. The leadership style also differs

depending on the perceptions that subordinates have of a task. Once subordinates have mastered a task, the need for directive leadership decreases (Northouse, 1997). Achievement-orientated leadership will convince subordinates that effort will lead to a high level of performance, especially if the tasks are ambiguous (Robbins, 1993).

The environment also plays a role in path-goal theory. For example, when a task is unstructured, directive leadership is ideal. On the other hand, when the task is structured, directive leadership is counter-productive. It is unnecessary to guide workers and clarify a task when they already understand it (Greenberg & Baron, 1993). A study by Sims and Szilagyi (1975) confirmed that structure is necessary in ambiguous situations, while there is no need for role clarity in low ambiguity situations. In autocratic systems, it is important that leaders should be supportive in order to achieve desired outcomes. When there is a high level of conflict in the work group, the directive leadership approach is the most effective for achieving the desired results (Robbins, 1993). Leaders help subordinates reach their goals by clearing the path of all obstacles to reach the desired result of performance and satisfaction (Greenberg & Baron, 1993).

Path-goal theory is complex and it incorporates many different aspects of leadership (Northouse, 1997). A second limitation is that it has gained only partial support from research studies (House, 1971). A study by Schriesheim and DeNisi (1981) proved that the theory has the ability to produce "meaningful and testable predictions" beyond the two task structure hypotheses. More research is needed to refine and extend the theory by including more moderating variables (Robbins, 1993). Thirdly, the theory does not give an adequate explanation of the relationship between leader behaviour and worker motivation (Northouse, 1997).

3.6.3 Hersey and Blanchard's Theory of Situational Leadership

Hersey and Blanchard (1996) define effective leadership in terms of two causal variables: task behaviour and relationship behaviour. Task behaviour is the degree to which the leader defines and organises the role of the follower. Relationship behaviour is the degree to which the leader maintains strong interpersonal relationships with followers, characterized by open communication channels. The situational variable in this instance is follower maturity. Maturity consists of job as well as psychological maturity. Job maturity is the level of skill which the worker possesses, while psychological maturity entails the level of self-confidence and self-respect of the follower.

Hersey and Blanchard (1996) distinguish between four levels of maturity (see **Figure 3.4**, p. 46): a low level of maturity (R1), a low to average level of maturity (R2), an average to high level of maturity (R3), and a high level of maturity (R4). On the R1 level

followers do not have the ability or the confidence to complete the task successfully. The R2 level worker does not possess the ability to complete the task, although the subordinate is willing and has enough confidence to complete the task. On the R3 level the worker has the necessary ability to complete the task, although the necessary confidence is lacking. The R4 worker possesses the necessary confidence and ability to complete the task successfully. R1 workers (immature in relation to task behaviour) are most effective if the leaders give structure to the task, and establish objectives and procedures (telling). R2 workers (unable but willing and confident) perform best when the work is structured and when they are supported by the leaders. Moderately high-readiness employees (R3) perform best when the leader uses a low-task/high relationship leadership style. Extremely mature workers (R4) need little direction and perform best when the leader delegates work to them. **Figure 3.4** outlines the Hersey-Blanchard Situational Leadership Model.

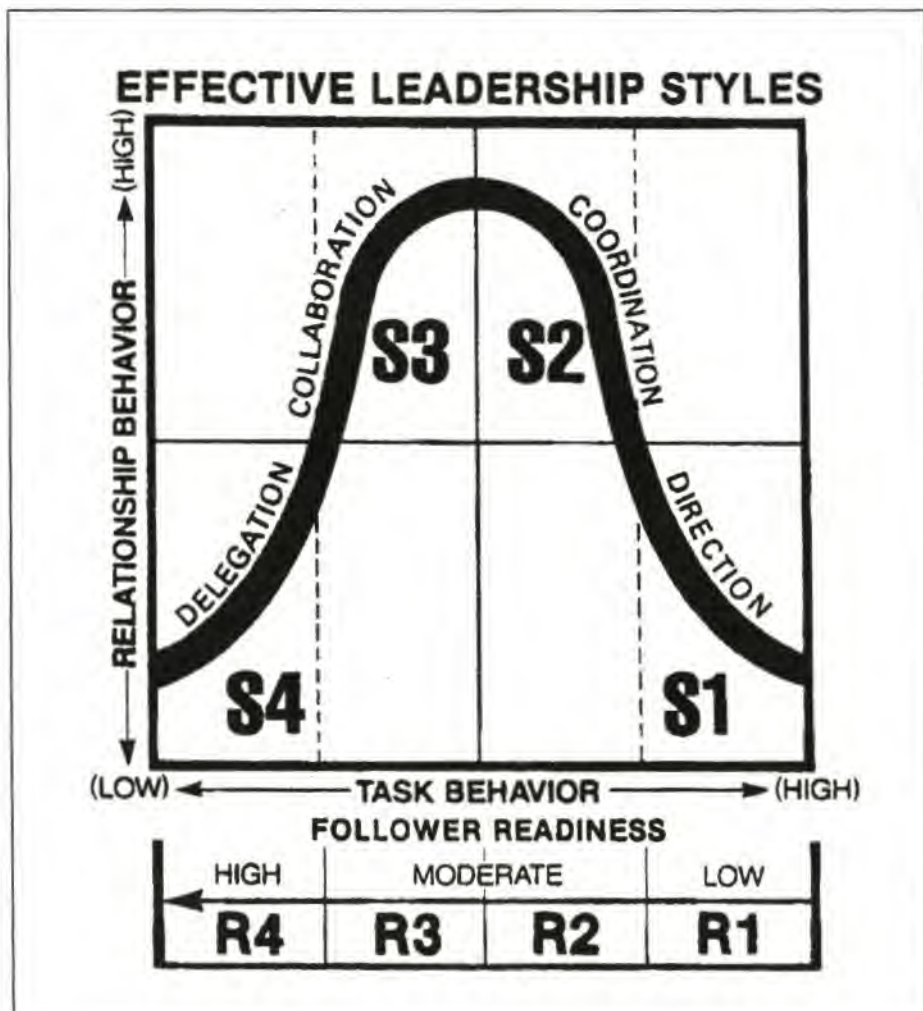


Figure 3. 4 Hersey-Blanchard Situational Leadership Model
(Hersey and Blanchard, 1996: 442)

3.7 LEADER-FOLLOWER INTERACTION

Relevant to the exchange view of leadership is the vertical dyad linkage approach (VDL). According to Luthans (1989), the VDL approach can also be referred to as the leader-member exchange theory (LMX). Due to practical considerations this thesis will refer to the LMX theory when discussing leader-follower interaction. Leader-follower interaction theories propose that leaders form a special relationship with a small number of subordinates. Leader-follower interaction theory suggests that leadership is a process in which followers and leaders influence each other reciprocally.

LMX theory suggests that leaders form special relationships with a small number of trusted subordinates (Greenberg & Baron, 1993; Yukl, 1998). There is a distinction between two groups of followers: the in-group and the out-group. A follower becomes an in-group member by cooperating with the leader, and demonstrating a high level of job involvement and extra effort. An exchange of information takes place on a consistent basis between the leader and the follower. The leader trusts members of the in-group, has faith in them, and therefore shares more information with in-group members. Out-group members are not willing to take on more responsibility to become part of the in-group. Naturally in-group members have more power in influencing leadership decisions than out-group members do (Northouse, 1997; Luthans, 1989).

According to Robbins (1993, p. 379):

"Leaders create in-groups and out-groups, and subordinates with in-group status will have higher performance ratings, less turnover, and greater satisfaction with their superior."

Followers influence the perceptions, goals and behaviour of leaders and vice versa. Leadership is a two-way street which involves reciprocal influence. Leaders should empower followers and have an influence in designing the job structure and the way in which the job should be done. Effective followers have the following characteristics: high degrees of critical thinking are involved in their jobs, they manage themselves well, they are committed to a purpose outside themselves, they build their competence and direct their effort in order to attain maximum impact. They are also courageous, honest and credible. It is of vital importance that leaders build and maintain a high-quality relationship with all followers (Greenberg & Baron, 1993; Robbins, 1993).

In a leadership study conducted by Scandura and Graen (1984), a leadership intervention based on the LMX theory was carried out. Employee groups (control groups) with an initially high quality of leader-member exchange were compared with groups (experimental groups) who experienced an initially low level of leader-member exchange quality.

Employees with a low quality of LMX responded more positively to a leadership intervention that was based on a high quality of interaction between the leader and the follower. The initially low LMX group showed a significant increase in productivity, job satisfaction and supervisor satisfaction compared to the high LMX group. The higher gains made by the initially low LMX group can be attributed to the availability and support of the supervisor.

The LMX theory is descriptive rather than prescriptive. It is the only theory in which the dyadic relationship between the leader and follower occupies a central position. There is a strong focus on communication in leadership studies. However, the LMX theory has been criticised for being culturally biased. It also does not explain how a leader builds high-quality relationships with all his/her followers (Northouse, 1997). Transformational leadership theory, like leader-follower interaction theory, is largely concerned with the reciprocal influence between leader and follower/s.

3.8 NORMATIVE LEADERSHIP THEORY

Vroom and Yetton's decision model provides a sequential set of rules which should be followed in order to determine the form and amount of participation that should be allowed during the decision-making process (Robbins, 1993). The Normative Contingency Model specifies which leader decision-making procedures are most effective in specific situations. Situational variables influence the quality and the general acceptance of the leader's decision. Situational variables include the clarity of the problem; degree of commitment which is needed from the follower in implementing the decision; the accessibility of adequate information to the leader and the subordinates; the importance of decision quality; and the probability of discord between subordinates over the chosen outcome (Brook, 1993). The limitation of this approach is its intricacy, which makes it impractical to illustrate in detail for the purposes of this study (Robbins, 1993).

3.9 SUMMARY

All the early theories of leadership failed to provide an integrated model of leadership. Research has demonstrated many components of leadership: leadership traits, leadership behaviour, the situation, the interaction between leader and follower, and the influence of leadership in the decision-making process. A fresh approach to leadership, namely transactional and transformational leadership is an attempt in formulating a synthesised model of leadership behaviour. Transformational leadership as a synthesised model of leadership behaviour should enable the leader to apply 'universal truths' of leadership behaviour to a wide range of situational contexts. The next chapter deals in-depth with the theory of transformational leadership.

CHAPTER 4

TRANSFORMATIONAL LEADERSHIP

4.1 INTRODUCTION

In the previous two chapters the challenges facing leaders in South Africa and various theories regarding leadership were described. Unfortunately, leadership theories have not yet solved the problem of a single synthesised model of leadership behaviour. Transformational leadership theory manages to integrate the various approaches that were discussed in detail in the previous chapter and attempts to address aforementioned problem.

This chapter focuses exclusively on the development of transformational leadership theory, various models of transformational leadership, antecedents of transformational leadership, the importance of transformational leadership in the South African context and the training and development of leaders.

4.2 THE DEVELOPMENT OF TRANSFORMATIONAL LEADERSHIP THEORY

In order to understand the development of transformational leadership it is essential to focus on the concept "charisma". Charisma is a Greek word, which means "gift" (Yukl, 1998). Thus followers see the charismatic leader as an extraordinary person, possessing exceptional personality characteristics and abilities (Conger, 1989; Robbins, 1993).

According to House in Yukl (1998), the features that will explain the nature of charismatic leadership are personality, the behaviour of the leader, and situational variables. Typical personality traits of charismatic leaders are: a high need for power, high self-esteem, and strong convictions. Yukl (1998) refers to the following behaviours which charismatic leaders frequently engage in: articulation of a compelling vision in terms of ideological values in order to obtain follower commitment, impression management in order to gain the follower's confidence in the leader, communicating high performance standards to followers, and expressing confidence in the ability of followers. Charismatic leaders are likely to thrive in circumstances in which there is a crisis. Formal authorities have been unable to deal with the crisis, therefore traditional values and beliefs are questioned by followers.

Charismatic leadership theory gradually evolved into the theory of transformational leadership. According to Northouse (1997) as well as Hater and Bass (1988), Downton was originally credited with coining the term "transformational leadership". Under Burns (1978) transformational leadership emerged as a major theory of leadership. According to Burns (1978), the transformational leader elevates people to a higher sense of "self". Furthermore, Burns contrasts transactional leadership with transformational leadership. Transactional leaders motivate people by appealing to their self-interest rather than elevating them to a higher sense of "self" (Northouse, 1997).

While Burns laid the early foundation for transformational leadership theory, it grew into a major leadership theory under Bass (1985a). From 1985 onwards Bass did extensive research on the subject. Bass (1985a) was the first researcher to measure the perceptions of subordinates to establish whether a leader was transformational or not. According to Bass (1985a) transformational leaders have the ability to forge strong emotional ties with followers. By contrast, transactional leaders are unable to establish strong emotional bonds with followers (Curphy, Ginnet & Hughes, 1993).

Transformational leadership is an extended version of charismatic leadership and there is an overlap between transformational and charismatic leadership. Although charisma is a necessary ingredient of transformational leadership, it is not sufficient to transform followers. Charismatic as well as transformational leaders inspire followers, but transformational leaders persuade followers by appealing to the faculties of reason of followers, while the charismatic leader appeals to the emotions of followers. The transformational leader is also more likely to appeal to emotions by displaying individualised consideration than the charismatic leader. Therefore the transformational leader will often act as coach, mentor or teacher, rather than taking the role of celebrity, miracle worker or mystic (Bass, 1985a).

Bass (1985a) differs from Burns (1978) on three issues. Bass expanded on the needs and wants of Maslow's hierarchy of needs, which Burns ignored. Secondly, Burns believed that transformational leadership should be beneficial to society as a whole, while Bass did not believe that transformational leadership was necessarily beneficial. Finally, Burns saw transformational and transactional leadership as two opposite sides of the same coin. In contrast, Bass saw leaders displaying a variety of patterns of transactional as well as transformational behaviours.

Table 4.1 on the next page, distinguishes in more detail between transactional and transformational leadership. The reader will deduce from **table 4.1** that there is a clear distinction between transformational and transactional leadership.

Table 4.1 Comparing Transactional and Transformational Leaders

Transactional Leadership	Transformational Leadership
By means of constructive rewards, it leads to satisfactory short-term rewards. Focus is on hard quantitative data.	Leads to performance beyond expectations in the long run without compromising human values and dignity.
Management-by-exception is used as the dominant leadership style. Focus on the mistakes of followers and intervene if standards are not met.	A sense of vision and mission is used to mould trust and pride in followers. Leaders are role models. Personal attention is given to each individual employee.
Finding deviations from set standards and taking corrective action if needed solves problems.	Appealing to the intelligence of followers solves problems. Old assumptions are questioned and innovative ways are used to solve problems.
Focuses on getting the job done and the survival needs of people.	Gives meaning to the lives of workers.
Concerned about politics, position, power and perks.	Focuses on values, purposes, morals and ethics.
Usually preoccupied with daily matters.	Transcends daily concerns.
Unable to distinguish causes from symptoms. More concerned about treatment than prevention.	Able to distinguish causes from symptoms. Works at preventing the problem in the future.
Is reactive and impatient.	Is proactive and patient.
Human relations are used to smooth human interaction.	Taps human potential. Develops and identifies new talent.
Role expectations are met by working within current systems.	Jobs are redesigned in order to make them meaningful and challenging.
Systems that support bottom line, raises efficiency and produces are utilised.	Structures and systems are aligned to overarching values and goals.

(Adapted from Covey, 1992a, p.286 as well as Bass 1985b, p.39-40)

4.3 MODELS OF TRANSFORMATIONAL LEADERSHIP

Tromp (1996) refers to the following models of transformational leadership competencies: Bennis and Nanus in Yukl (1998), Conger (1989), Nadler and Tushman (1990), Tichy and Devanna (1989), Schroder (1989) and finally Kouzes and Posner (1990) and Bass (1985a). **Figure 4.1**, p. 52 illustrates the essence of each model. A summary now follows on each of these models.

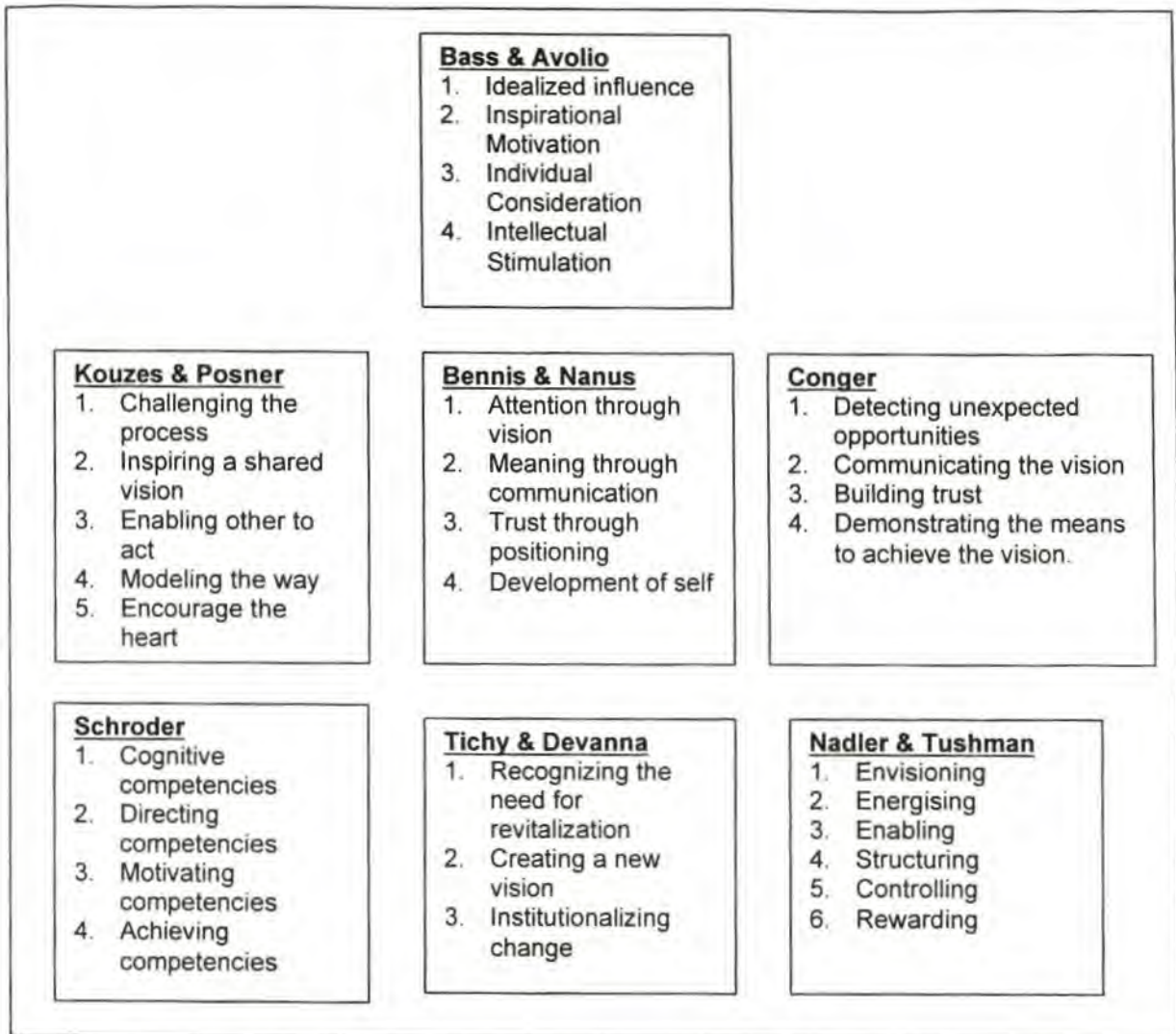


Figure 4.1 A Comparison of Seven Different Models of Transformational Leadership
(Tromp, 1996, p.4)

4.3.1 Bennis and Nanus

Bennis and Nanus (Yukl 1998) theorise how organisations should reshape existing practices in order for the organisation to adapt to an ever-changing external environment. Change is brought about through *attention through vision, meaning through communication, trust through positioning and self-development*. According to this model, leaders build confidence in their followers and challenge existing paradigms. Followers are encouraged to master tasks by using new and innovative methods.

The process of *attention through vision* is driven by transformational leaders, who have a

vision of the ideal future state of the organisation. The vision can be vague or as concrete as a written mission statement. Leaders pinpoint events which will have an impact on the organisation's future. The organisation heads in a new direction fuelled by the passion and the energy of all organisational members pursuing a common vision.

Leaders who create *meaning through communication* in followers give meaning, importance and appeal to the work of each individual in the organisation. Decision-making, initiative and discretion are diffused throughout the organisation to each and every individual organisational member. The leader formulates a clear vision by synthesising a variety of viewpoints from sources inside as well as outside of the organisation. It is important that followers understand the vision and that it is practical, realistic and attainable.

Commitment to the vision by all stakeholders is of the utmost importance. Transformational leaders utilise a variety of behaviours and strategies to instil a sense of commitment throughout the organisation. Although the realisation of the new vision is the primary responsibility of the transformational leader, other executives have a vital participatory role to play in the reshaping of the organisation. Commitment to the new vision should be mobilised from the top by the inner circle of executives. However, the primary responsibility for this leadership task should never be delegated to others if the effort is to succeed. Changes in management methods, organisational structure and culture should be in harmony with the values contained in the new vision. All decisions by the transformational leader should be consistent with the vision. Most important of all is that followers should be inspired by the slogans, rituals and metaphors, anecdotes and captivating rhetoric of the leader, to pursue the vision. Persuasion and inspiration instead of coercion should be utilised in order to transform the organisation. Effective communication should transform a once vague sense of purpose into a clear, concise vision consisting of detailed plans and policies.

Trust through positioning is achieved by transformational leaders who show commitment to the vision by their behaviour and by the way in which they reinforce the behaviours of followers. For obvious reasons, followers distrust leaders who frequently shift from one position to the next. Leaders should engage in actions that are congruent with the vision. Leadership behaviours that are inconsistent with the vision reduce the appeal of the vision in followers. This is inevitably followed by a lack of trust and confidence in the leader.

Development of self is a characteristic of successful leaders who continually improve themselves by increasing their knowledge gained from past experiences of success and failure. Mistakes are seen as a normal part of life and are seen as learning opportunities by transformational leaders. All available information resources are utilised for the purpose of strategic planning. Experiments are used to test new products and

procedures. Followers are made aware of changes in the external environment.

4.3.2 Conger

Conger's model (1989) consists of four stages of transformational leadership. The four stages are as follows: *detecting unexpected opportunities*, *communicating the vision*, *building trust*, and *demonstrating the means to achieve the vision* (see Figure 4.2).

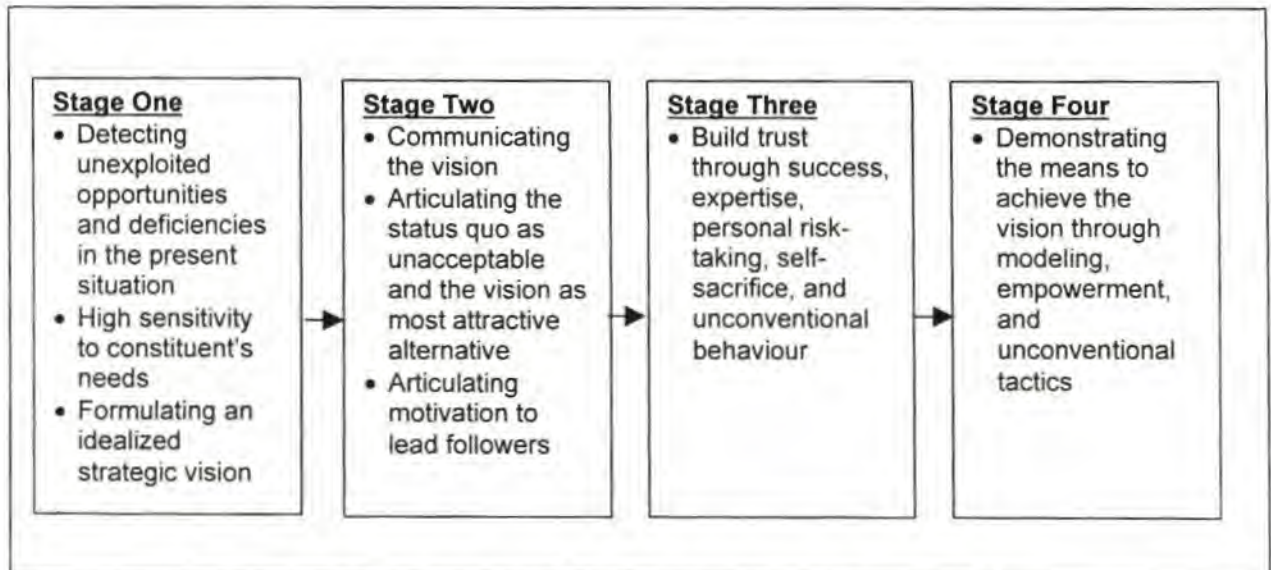


Figure 4.2 Conger's Stages of Charismatic Leadership
(Conger, 1989, p. 27)

During the first stage (*detecting unexpected opportunities*) the leader assesses the current constraints, resources and the opportunities in the external environment. The leader is sensitive to the needs of the constituents during this process. Since the markets are in a state of constant change, this is a never-ending process. Leaders continually scan the marketplace and adjust strategies and policies accordingly. After each appraisal, goals and strategies are reformulated to meet the needs that the current situation presents. Stage 1 is the stage in which goals are formulated.

During stage 2 the *vision is communicated*. The status quo is labelled as unacceptable, and an attractive alternative is offered in terms of an attractive vision. Goals are interpreted in a meaningful way to followers. The leader articulates his motivation to lead followers.

In stages 3 and 4 the leader *builds trust* and commitment in followers and *demonstrates*

the means to achieve the vision. Conger (1989) admits that this is an oversimplification of the complexity of the interactive process between leader, follower, management team and the external environment. However, it offers a useful framework of leadership, which enables social scientists to distinguish between charismatic and noncharismatic leaders.

4.3.3 Kouzes and Posner

Kouzes and Posner (1987) refer to five practices of successful leaders, namely *challenging the process, inspiring a shared vision, enabling others to act, modelling the way, and encouraging the heart.* These practices are readily available to anyone willing to accept the leadership challenge.

Leadership is characterised by action, and is not a passive process. Leaders need to respond to a challenge. The challenge can be in the form of launching new and innovative products, or reorganising and revitalising a struggling organisation, but mostly the challenge involves a change from the status quo. Leaders are involved in *challenging the process.* Leaders are not afraid to take risks and venture into the unknown. Furthermore, leaders are not necessarily innovators of products, although this is possible. Transformational leaders often challenge the status quo by recognising and accepting good ideas and will not hesitate to challenge the system in order get new processes, products and services adopted. Often the experiments, innovations and changes leaders bring about will create change. Great leaders learn from their successes as well as their failures.

Leaders envision a brighter future, imaging what it is like if the vision is realised. An intense desire to change something, create something new and make things happen is characteristic of such leaders. Just as architects have a plan before they build a house, leaders have a clear picture of the company's ultimate destination before the vision can be achieved. However, leaders need to sell their vision to their followers; in other words leaders have to *inspire a shared vision.* Followers will only commit themselves to a vision if the leader can persuade them that his/her dream serves a common purpose. The enthusiasm and belief of the leader in the vision are contagious, and they are the spark that ignites the flame of inspiration in company members.

Successful leaders have the ability to earn the cooperation, assistance and support of followers. Team building, empowerment of the people and teamwork are seen as critical ingredients of success by great leaders. Leaders have the ability to generate the support of followers, peers, superiors, suppliers and customers. People in the organisation feel empowered and develop a feeling of ownership, which more often than not leads to extraordinary results from ordinary people. In other words, leaders *enable*

their followers to act.

Modelling the way involves a process in which leaders show others the way by modelling the behaviour which they wish to elicit in others. Even if leaders can eloquently communicate their vision, people will not follow them if they do not practice what they preach. In effect the leader is a role model who acts out his or her beliefs.

At times followers become discouraged, worn out and frustrated by their jobs. In times such as these, leaders need to *encourage the heart* of every employee. Employees are kept interested by these leaders' celebrating small milestones, by their recognition, and by their encouragement to keep on winning. The secret of successful leaders is their love for their customers, followers, products, people and work.

4.3.4 Schroder

Schroder (1989) distinguishes between **entry level**, **basic** and **high-performance competencies** in his model of managerial effectiveness (see **Figure 4.3, p.57**). **Entry level competencies** stem from the socialisation and education processes in our society. **Entry level** competencies emphasize individual characteristics, which are highly valued by growth organisations. Individual characteristics such as knowledge, abilities, values, motivation and work styles are **entry level competencies**, which are often measured during the process of personnel recruitment, selection and placement.

Basic competencies define the specific knowledge and skills which are needed to perform a task or managerial functions successfully. **Basic competencies** include managerial functions like *planning, organising, controlling, developing* and giving direction to employees (*interaction*).

Schroder (1989) identifies four **high-performance competencies**: *cognitive, motivating, achieving, and directing* competencies. Schroder (1989) defines high development competencies as "a relatively stable set of behaviours which produces significantly superior workgroup performance in a more complex organisational environment".

There are three types of *cognitive competencies*, namely information search, concept formation, and conceptual flexibility. Managers who are blessed with a high level of cognitive competencies are able to gather a wide variety of information from a diversity of sources concerning the internal and external environment (information search). The information gathered could, for example, concern such factors as competition, new technological trends and customer needs. Cognitively orientated managers process the information, link the information to new ideas and work out new strategies, methods and

improvements (concept formation). Advantages and disadvantages of situations are compared and managers are ready to utilise opportunities in the external environment (conceptual flexibility). Cognitive competencies are essential for strategic planning and adapting to changes.

Motivating competencies can be divided into interpersonal search, managing interaction and development orientation skills. Managers rich in motivating competencies respect the ideas of others, are eager to find out what others are thinking, and use different behavioural strategies in order for them to understand the ideas of subordinates, peers, clients and superiors (interpersonal search). These managers are excellent team builders and are able to energise and commit people to achieve goals (managing interaction). Furthermore, these managers have high expectations of their followers and assist them with resources, coaching and feedback. Utilising motivational competencies enables managers to delegate responsibility to lower levels of the organisation (developmental orientation). These competencies enable managers to involve, motivate and allocate responsibility to followers.

Schroder: Hierarchy of Managerial Competencies	
High-Performance Competencies	
Cognitive Competencies	Motivating Competencies
Information search Concept Formation Conceptual flexibility	Interpersonal Search Managing Interaction Developmental orientation
Directing Competencies	Achieving Competencies
Self-confidence Presentation Impact	Pro-active orientation Achievement orientation
Basic Competencies <i>Planning, organising, controlling, developing, interacting</i>	
Entry Level Competencies <i>Knowledge, ability, innovation, style</i>	

Figure 4.3: Schroder's Model of Managerial Effectiveness (Schroder, p.9)

Directing competencies consist of three variables, namely self-confidence, presentation and impact. Managers who possess these characteristics are able to communicate the direction towards which the company is heading. These managers have positions of their own and have complete faith in the positions of others regarding such issues as policies, values and strategic plans (self-confidence). These managers have the ability to articulate their own positions as well as the positions of their followers so clearly that they are understood by all parties concerned (presentation). Acknowledgement,

modelling and alliance formation gets others to behave in a manner congruent with their goals (impact). Thus the goal clarity and acceptance of the values, plans and policies provide the necessary direction for the group.

Achieving competencies consist of proactive as well as achievement orientation competencies. *Achieving competencies* enable managers to be result and action orientated (proactive orientation). These managers set challenging targets for themselves as well as their work group and aspire to a process of continuous and never-ending improvement, which involves feedback on a regular basis. These competencies shift the focus from a reactive approach to an approach in which efficiency and a standard of excellence rule.

Today's world of work is in a constant process of change. Variables in the external and internal environment change at a rapid rate, threatening the effectiveness of organisations. Therefore training programmes that develop basic as well as high-performance competencies are essential if organisations are to adapt to the environment and achieve desired outcomes.

4.3.5 Tichy and Devanna

Tichy and Devanna (1989) state that transformation develops from three main themes: *recognizing the need for revitalization*, *creating a new vision* and *institutionalizing change* (see **Figure 4.4, p. 59**). The change process has an effect on individuals' work in the organisation as well as on the organisation itself.

The first act, namely *recognizing the need for revitalization*, centres on the challenges the leader encounters in wanting to warn the organisation of the threats it is facing in the external environment. Environmental factors force organisations to change their approach. In order for the organisation to react to the change it is important for the leader to perceive and respond to the change. Once the leaders in an organisation feel the need for change, quality leadership is needed to overcome resistance to change inside and outside the organisation. It is important that long-term solutions to problems are found and that quick-fix methods are avoided at all costs.

During act one, individuals within the organisation have to deal with individual changes entailing endings and new beginnings. Individuals have to disengage with the past and old ways of performing tasks; there is a need for disidentification with demands of the past and for dealing with new knowledge, skills and behaviours which they need to learn.

During act two, it is the task of the leader to *create a new vision*, which is positive and accepted by followers. Followers need to see the change as necessary and desirable

for the organisation. The leader must develop a vision that is consistent with his/her values, style and philosophy. A large segment of the organisation is committed to change and to making things happen.

During act two, individuals go through a traumatic experience of transition in which they have not disengaged with the past nor have they committed themselves to the future. During this stage individuals have to figure out for themselves what things went wrong in the past, why things went wrong and why things have to change in order to create a better future for the company.

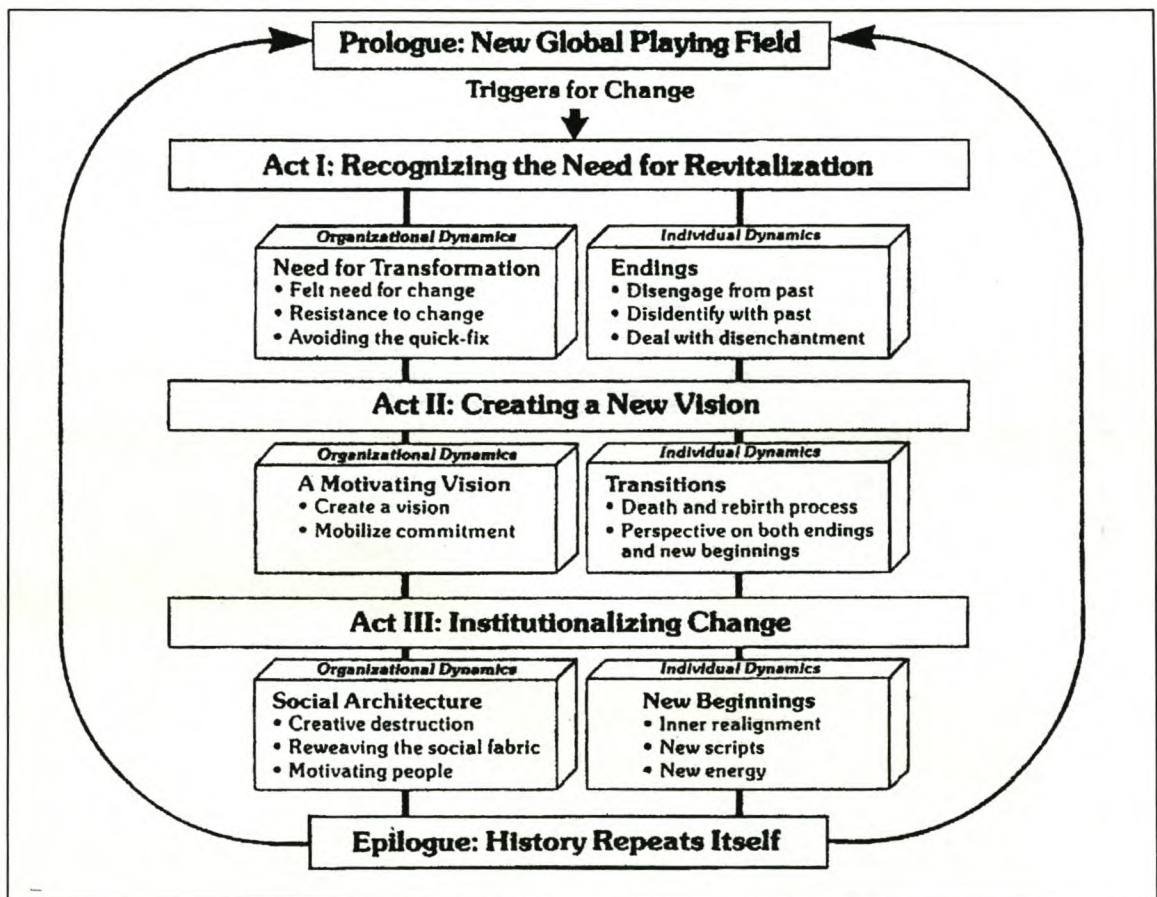


Figure 4.4 Tichy and Devanna's Three-Act Drama of Transformational Leadership

(Tichy and Devanna, 1989, p. 26)

During act three, the transformational leader needs to *institutionalize the change* in order to survive in his/her present position in the company. A new way of thinking, doing and practices replaces or destroys the old reality. At this stage it is important that a new culture should be established that is aligned to the *revitalized* organisation. Conflicting emotions such as fear and hope, anxiety and relief, and pressure and stimulation have to be managed in people. It is the duty of the transformational leader to identify the conflicting emotions, transforming the negative emotions into positive ones, which in turn will create the high levels of energy within the people in the organisation necessary to turn the organisation around towards the desired goals.

During act three, individuals have to learn to cope with the frustration of failure in their effort to adapt to their new roles. Enough practice and rehearsal will create the necessary energy in followers needed for organisational transformation (Tichy and Devanna, 1989).

4.3.6 Nadler and Tushman

Nadler and Tushman (1990) distinguish between two types of leadership, namely charismatic and instrumental leadership. Charismatic and instrumental leadership each consist of three components. Charismatic leadership consists of *envisioning*, *energizing* and *enabling*. Instrumental leadership consists of *structuring*, *controlling* and *rewarding*.

The first component of charismatic leadership is *envisioning*. A vision can be seen as an ideal future state with which people can identify. The vision should create a unified or common goal, which needs to be credible, meaningful and seen to followers as a worthy cause. Furthermore, the vision should be seen as achievable by followers in order to create employee commitment. It is the task of the leader to communicate the vision by setting high expectations and modelling behaviours and activities that embody the vision.

The second component of charismatic leadership is *energizing*. Different leaders use different methods to energise their followers. Personal excitement, confidence in their own ability and direct contact with followers are the most common strategies used to energise followers. Successes are used as an opportunity to celebrate.

The third component of charismatic leadership is *enabling*. The leader supports people emotionally in order to help them perform when facing radically challenging goals. Charismatic leaders listen to and understand the needs of followers. More often than not, charismatic leaders share the feelings of their followers.

In order for leadership to be effective, charismatic leadership should be supplemented with instrumental leadership. Instrumental leadership is based on the expectancy theory of motivation, which suggests that individuals will follow behaviours that create valued outcomes. Instrumental leadership can be divided into three categories: *structure*, *control* and *reward*. Charismatic leaders invest time in team building, which should implement and drive the change process in the organisation by creating the necessary structures. Creating *structures* involves goal setting, setting elevated standards, and defining the roles and tasks of subordinates. The second component of instrumental leadership is *controlling*. Systems are installed to measure, administer and monitor behaviours and implement corrective action if needed. The final component of instrumental leadership is *rewarding*. Rewards and punishments are administered according to the degree to which behaviour is consistent with the process of change.

While charismatic leadership energises, creates commitment and motivates, instrumental leadership should ensure that followers act in ways that are consistent with their goals. Very rarely is one individual able to fulfil the requirements of both charismatic and instrumental leadership. Although such exceptional leaders exist, very often other leaders complement the strengths and weaknesses of the individual leader (Nadler and Tushman, 1990).

All the preceding models contributed greatly to the knowledge base and the understanding of the field of transformational leadership. However, for the purposes of this research, it was decided to focus specifically on the "Full Range Leadership Program" of Bass (1985a). The reason for this approach is threefold. Firstly, the "Full Range Leadership Program" has a high degree of validity and reliability (Bass and Avolio, 1994; Tromp, 1996; Ristow, 1998, Yammarino and Bass, 1990, Bass, 1985a). Secondly, the *Full Range Leadership Programme* is applicable to the South African context, according to Avolio (1995). Thirdly, Bass (1990a) states that the "Full Range Leadership Program" is effective when training transformational leaders.

4.3.7 Bass and Avolio's "Full Range Leadership Model"

The 4 I's are transformational in nature and are active as well as effective dimensions of leadership behaviour. Laissez-faire leadership is the most ineffective and passive type of leadership, followed by the management-by-exception and contingent reward categories (transactional leadership). The optimal leadership profile involves infrequent use of laissez-faire behaviours, increasing frequencies of transactional behaviours, although the 4 I's are the most frequent behavioural patterns displayed by transformational leaders (Bass and Avolio, 1994). The laissez-faire, transactional and transformational leadership constructs is considered in this section. Transformational, transactional, and laissez-faire behaviours are structured on a continuum of

effectiveness, ranging from ineffective to effective on the x-axis, and a continuum from passive to active on the y-axis. Transformational behaviours (4 I's) are the most effective and active form of leadership behaviour, according to the *Full Range Leadership Programme* (see **figure 4.5**).

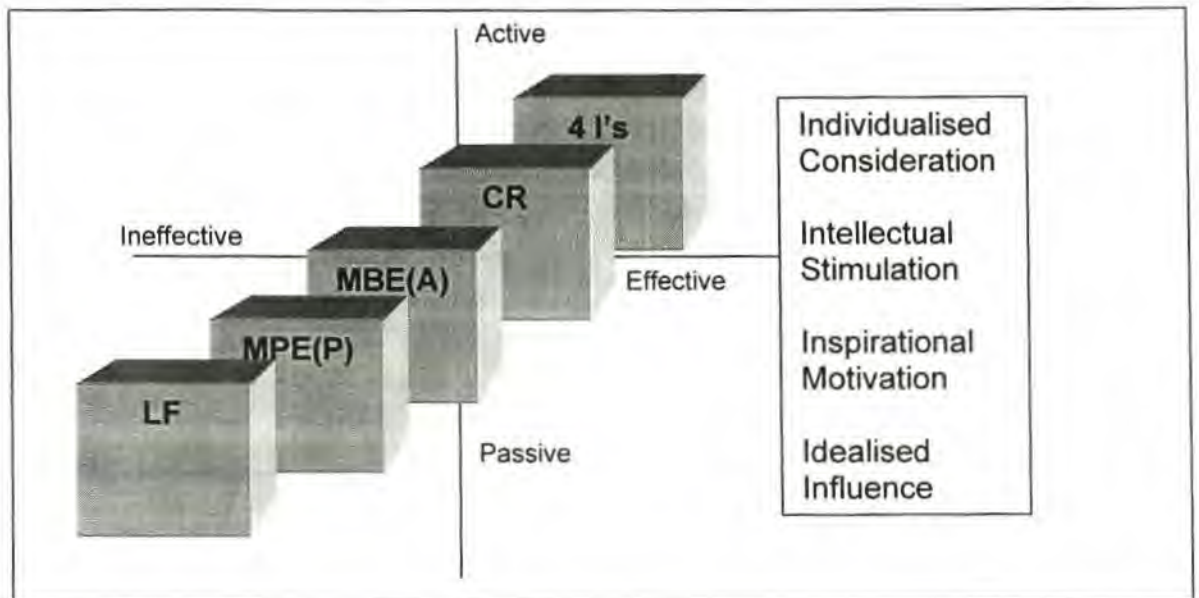


Figure 4.5 The "Full Range Leadership Model"

(Bass and Avolio, 1994, p.1-9)

Laissez-faire leadership is an extremely passive form of leadership. Whereas transactional and transformational leadership are active forms of leadership trying to prevent and solve problems, laissez-faire leaders avoid or delay decision-making and also avoid active intervention in problem situations (Bass, 1990; den Hartog, Muijen & Koopman, 1997).

This leadership style is characterized by the absence of rewards, feedback and involvement from the leader. No attempt is made to meet the needs of followers. There is also no attempt from the leader to motivate subordinates (Northouse, 1997; Bass, 1997). This construct suggests that the leader has a tendency to place his/her responsibilities firmly on the shoulders of subordinates (Bryman, 1992). In essence laissez-faire leadership indicates the complete absence of leadership (Bryman, 1992; Northouse, 1997).

Owing to a lack of involvement, laissez-faire leadership produces a highly unmotivated workforce; followers are unable to take the initiative and low levels of performance are evident. Laissez-faire leadership is perceived as ineffective and as an extremely passive form of leadership by followers (Brook, 1993; Bass, 1990). Transactional leadership consists of three dimensions. The first dimension of transactional leadership is *contingent reward*. Dimensions two and three of transactional management consist of two types of *management-by-exception* (den Hartog et al., 1997).

Followers need to take certain actions to achieve valued outcomes. This is the very essence of transactional leadership (Bass, 1985a). Transactional leaders realize that followers have certain needs. Transactional leadership clarifies how achieving a set level of performance can fulfil these needs (e.g. raises, promotions and interesting work experiences). In essence the transactional leader makes the task and role requirements clear to the followers. Direction as well as contingent rewards motivate subordinates to complete tasks. Therefore it is important that the leader has confidence in the followers' ability to complete the task (Bass & Avolio, 1990; Singer & Singer, 1986).

At this point it should be obvious to the reader that transactional leadership closely resembles the path-goal theory of leadership (refer to pp.43-45). The leader clarifies task and personal objectives for the follower. The route to goal accomplishment is made transparent to followers. Performance objectives are set for each task. Performance is then measured against these objectives. Concrete feedback based on the performance result is given to the follower. The follower responds with an increase in respect for, and compassion towards, the leader. As with the expectancy theory of motivation, followers are willing to engage in the necessary effort if they believe it will lead to an optimal level of performance, which is rewarded by the leader (Brook, 1993). The transactional leader and his/her followers are in a mutually dependent exchange relationship. This is a reciprocal process in which both the subordinate and the leader receive something of value. The follower exchanges something the leader perceives as valuable, for something the follower wants (Kuhnert & Lewis, 1987).

Transactional leadership is also closely related to the LMX theory (refer to pp. 47-48). Followers in the in-group will have a higher-quality relationship with the leader. In turn, the leader will expect a higher degree of commitment and performance from in-group members than from out-group members. This will lead to a higher frequency of rewards to in-group members. Out-group members will not have a particularly favourable relationship with the leader; less is expected from them and they will receive fewer rewards than in-group members (Brook, 1993; Hollander, 1992).

Transactional leaders are able to achieve and maintain acceptable standards of performance (Avolio, Waldman and Yammarino, 1991; Bass & Horine, 1993). For transactional leadership to be effective, it is essential that it should be complemented by

transformational leadership (Bass, 1990). Transformational and transactional leadership are distinct but not mutually exclusive concepts (Yukl, 1989b).

Numerous criticisms have been raised against transactional leadership:

- Transactional leadership does not adequately explain how competent leaders deal with their subordinates. Why would followers be willing to sacrifice their own self-interest for the sake of the leader?
- Transactional leadership does not explain how leaders are able to shape the value system and raise the commitment level of followers.
- Transactional leadership theories do not explain the process that leaders follow in assisting followers to reach their full potential.
- When participants in workshops in organisations were asked to describe their ideal leader, they described characteristics synonymous with transformational leaders (Avolio, Waldman and Yammarino, 1991).
- Supervisors believe that they give feedback to subordinates, yet followers don't report having received any feedback (Bass, 1985a).
- Transactional leaders may lack the resources to assist followers in the goal attainment process (Bass & Avolio, 1990).
- The effectiveness of transactional managers depends on their ability to deliver rewards (Bass, 1985a).

In essence, transactional leaders reward followers for services rendered (Singer & Singer, 1989). *Contingent reward* is a transaction between the leader and his/her followers. Followers are rewarded for the level of performance which they attain, for the effort which they exert and for achieving agreed-upon objectives (den Hartog et al., 1997; Bryman, 1992; Bass & Avolio, 1997; Howell & Avolio, 1993). The leader exchanges things of value to further advance his/her own cause as well as meeting the needs of the followers (Northouse, 1997).

Bass (1985b) distinguishes between *contingent* and *non-contingent* rewards. *Contingent rewards* are granted to the follower for the attainment of a specified goal. *Non-contingent* rewards are granted to the follower, regardless of whether specified goals were reached or not. *Non-contingent rewards* are usually not materialistic in their nature and involve positive reinforcement to employees by treating them appropriately, regardless of achievement. *Non-contingent rewards* give people a sense of security (Bass, 1985a; Bass, 1985b).

Bass (1985a) also distinguishes between *contingent reward* (praise, recognition, promotion, etc.) and *contingent punishment* (fines, suspension and disciplinary action). *Contingent approval* or disapproval outlines the leader's expectations but has little effect on performance and motivation. However, *negative contingent reinforcement* has a negative impact on the leader's effectiveness (Bass & Avolio, 1990).

A *management-by-exception* leader intervenes only if certain standards are not met (Avolio & Bass, 1989). *Management-by-exception* can be divided into an *active* as well as a *passive* type. The *active* type of *management-by-exception* can be distinguished from the *passive* type by focusing on the timing of the leader's intervention. A leader that continuously monitors any deviations from set standards is characteristic of the *active* type. If these standards are not met the leader will take immediate corrective action (den Hartog et al., 1997). In *passive management-by-exception* the leader interferes only after mistakes have been made and also when there are obvious deviations from established procedures. The *passive-management-by-exception* style often involves punishment, coercion and negative criticism (Yukl, 1994; Bryman, 1992; Howell and Avolio, 1993). This leadership style suffers from the "If it ain't broke, don't fix it" syndrome (Bass & Avolio, 1997).

For *management-by-exception* leadership to be effective, it should be complemented with more positive leadership behaviours (Bass and Avolio, 1990). At its most active, transactional leadership has the potential to be effective in lower-order transactional exchanges, if applied correctly (Avolio, Waldman & Einstein, 1988).

Transformational leaders differ from transactional leaders in that they entice followers to perform beyond expectations (Bass, 1985a). Transformational leaders communicate a vision towards which the team, department or organisation should be moving. Instead of being overwhelmed by problems, transformational leaders view problems as opportunities and challenges. They are vigorously engaged in the development of employees. Transformational leaders have a passion for broadening the horizons of followers. Followers are encouraged to replace daily concerns for existence and safety with a passion for growth and personal development. The focus of transformational leadership is on needs. Employees are made aware of the organisation's needs as well as of their obligation to refine their own individual needs (Avolio, Waldman and Yammarino, 1991).

In workshops, participants describe transformational leaders as the ideal type of leader. Subordinates are willing to put in extra effort in order to meet the leader's expectations. The leader is emulated and serves as a role model (Bass, 1985b). Subordinates emulate transformational leaders by their actions and value systems (Horine & Bass, 1993). Followers identify with the leader, want to improve their performance and are willing to develop themselves. Furthermore, followers grow in self-confidence and become one hundred percent committed to the organisation as a result of their unyielding faith in their leader (Bass, 1994).

Overall, followers honoured, trusted, favoured, respected and expressed strong feeling of devotion towards the leader. The leader was willing to share his/her superior knowledge with followers. Although seen as informal by followers, the leader was firm

and had no hesitation in reprimanding followers (Bass, 1985b).

Burns (1978) saw transactional leadership as being a separate concept from transformational leadership. Bass (1985b) saw transformational and transactional leadership being distinct but interrelated concepts. Transformational and transactional leadership complement their functioning (Seltzer & Bass, 1990). Whereas transactional leadership is characterized by a basic exchange process between leader and follower (rewards exchanged for services rendered), transformational leadership appeals to the higher-level needs of the individual. These high-level needs are based on Maslow's hierarchy of needs and include such factors as self-esteem and self-actualization (Zorn & Violanti, 1993).

Levit (1992) eloquently describes what it takes to be a transformational leader:

"Transformational leaders are those who change the very assumptions we have regarding our work and the world in which we live. They are characterized by strong visioning skills and the tenacity and courage to empower others to work toward a vision which is adopted by their followership. Transformative leaders are contrasted with transactional ones, to whom the process and products of management are more important than those of change and creation".

As previously mentioned transformational leadership can be broken down into the 4 I's of the Full Range Leadership model: *idealised influence (charismatic leadership)*, *inspirational motivation*, *intellectual stimulation* and *individual consideration*. *Charismatic leadership* is characterized by the manner in which followers perceive and behave towards the charismatic leader (Avolio, Waldman and Einstein, 1998). *Idealised influence* can be sub-divided into *idealised influence attributed* and *idealised influence behaviour*. *Idealised Influence Behaviour* suggests that certain behaviours are viewed as being charismatic by followers. *Idealised Influence Attributed* suggests that charisma is in the "eye of the beholder" to some degree. *Inspirational motivation* is characterised by a leader who motivates his/her followers by providing meaning to and challenge in their work (Ristow, 1998). *Intellectual stimulation* encourages followers to question their old ways of doing things (Avolio, Waldman and Einstein, 1998). *Individual consideration* is characterised by the degree to which the leader displays concern for individual needs of followers and the quality of interaction between leader and follower on a one-to-one basis. A more detailed description of each of these variables follows now.

Bass and Yokochi (1991) describe *charismatic leaders* as, "extraordinarily gifted persons with whom followers strive to identify". Graham (1991) states that *charismatic leadership* is characterised by leaders who possess exceptional qualities. Trice and Beger in Bass and Yokochi (1991) consider personality variables, situational variables as well as follower reaction to the leader in consideration by pinpointing five specific components of

charisma, namely:

- a person with extraordinary gifts
- a crisis must be present
- a radical solution to problems
- followers should be attracted to the leader
- followers should believe that the leader has special powers and should therefore identify with the leader.

It is not necessary that all five these characteristics to be present for a leader to be considered *charismatic*. However, a perception by followers that the leader has exceptional powers, and a strong sense of identification with the leader is essential for a leader to be considered *charismatic* (Bass & Yokochi, 1991).

Bass and Yokochi (1991) do not focus only on personality characteristics, situational variables and follower reaction when discussing their view of *charismatic leadership*. According to Bass and Yokochi (1991), it is also essential that *charismatic leaders* use the following seven behavioural methods to inspire followers: non-verbal behaviours, eloquence, a high energy level, a great deal of self-confidence, heightened self-determination, astute insight, and a lack of inner conflict. *Charismatic leaders* use non-verbal cues, eye contact, facial expressions and direct eye contact to inspire, magnetise, move and captivate their audience. *Charismatic leaders* also have a flair for language. Their speech patterns are characterized by the use of powerful verbs, pauses between phrases and sentences, and repetition. A high level of energy as well as an exceptional activity level is characteristic of these leaders. *Charismatic leaders* have the utmost confidence in their abilities and views, and are able to maintain and heighten the self-esteem of followers. Furthermore, *charismatic leaders* have an insight into the problems of followers and propose radical solutions to problems. There is no friction between the feelings (id) and the conscience (superego) of *charismatic leaders* (Bass & Avolio, 1991).

Charismatic leaders have strong referent power (*idealised influence*), set challenging goals and maintain high standards (Bass & Avolio, 1997; Dubinsky, Yammarino & Jolson, 1995). Transformational leaders are seen as *charismatic* by their followers. *Charismatic leaders* instil a sense of mission, vision and purpose to which followers aspire (Horine & Bass, 1992; Dubinsky, Yammarino & Jolson, 1995). Vision is effective because it directs the energy of followers towards an end state, challenges the capacity of followers, and arouses the needs and emotions of followers (Kirkpatrick and Locke 1995).

For the purpose of clarity, the terms *vision* and *mission* is defined in the next paragraph. Here are some representative definitions of the term *vision*.

- According to Renton (1997, p.20) vision is the "intended image of the business in the market, its position in the market, and the reputation of the employer."

- Plunkett and Attner (1992, p. 384) defines vision as, "a long range image or idea of what can and should be accomplished. Vision may also be the integration of shared values and beliefs that serve as the basis for the creation and change of an organisation's culture. In both situations, when its developed and properly explained to the organisation it can serve to stimulate commitment and enthusiasm."
- "... a general transcendent ideal that represents shared values; it often has ideological values; it is often ideological in nature and has moral overtones" (Kirkpatrick & Locke, 1996, p.37).

Some representative definitions of *mission* are listed below. The reader will see that there is an overlap between the two concepts.

- According to Renton (1997, p.20), an organisation's mission "clarifies the purpose of our business and contribution to our stakeholders".
- Plunkett and Attner (1992, p. 144) describes an organisation's mission as, "a clear statement about why business exists".
- "The mission indicates the reason for the existence of the business in terms of the nature and extent of the present and future business activities" (Kroon, 1995, p.142).

From the above definitions it can be inferred that vision involves an insight that outlines an ideal future destination which the business wishes to reach. In contrast, mission focuses more on a concrete action plan or route which the organisation will follow in order for it to reach its destination. The mission is often outlined in the organisation's mission statement. In the mission statement followers are provided with a clear mission and vision of what has to be achieved. The vision is based on common ideals, values and aspirations (Northouse, 1997; Bass & Yokochi, 1991). According to Kirkpatrick and Locke (1996), a vision consists of three components: communicating the vision, implementing the vision and displaying charismatic communication characteristics.

Putting the vision across involves a four-step approach. The leader needs essential skills in order to communicate the vision effectively. Firstly, the leader must express the vision. The leader must understand the vision and introduce active steps that advance the main aim of the vision. Secondly, the leader must explain the vision in such a way that it is clear in terms of purpose, and must propose steps to all other parties involved in the process. Thirdly, the leader needs to extend the vision. The vision needs to be flexible. It is necessary that the sequence of activities can be applied in several situations involving different conditions and circumstances. Lastly, the vision should be expanded. In order for the vision to be user-friendly it should be applicable in a variety of ways in a wide range of circumstances (Sashkin, 1986). In order for followers to believe in the vision, it is important that the leader should implement the four steps proposed by Sashkin (1986).

The vision should be translated into words and action. Two critical behaviours are utilised for transforming the vision into reality. Firstly, the organisation clearly states its philosophy in the form of a mission statement. Secondly, the company must develop policies, invest in programmes and resources, which will make the implementation of these policies possible.

A clear mission statement supported by an action will amount to nothing if the leader cannot communicate the mission in such a way that it will captivate the imagination, commitment and passion of the followers (Sashkin, 1986). In other words, the vision must be transmitted in such a way by the leader that it is recognised and followed by followers.

Above all *charismatic leaders* are role models (*idealised influence*). Leaders who possess *idealised influence* (charisma) are viewed in an idealised way by followers. Enormous amounts of trust and confidence are placed in the leader by followers. Followers are aroused and inspired by the leader's vision (Bass, 1997). Followers are committed to a vision of the highest quality. A sense of purpose and direction is created, which followers are willing to follow with a great deal of commitment (Horine and Bass, 1992). *Charismatic leaders* have strong moral values which create trust, respect, blind faith and awe in followers. People believe that they will do the right thing, therefore followers will emulate charismatic leaders (Northouse, 1997; Bass & Yokochi, 1991). Characteristic of the *charismatic transformational leaders* is their unselfish nature and consideration of the needs of followers above their own needs. *Charismatic transformational leaders* do not misuse their power for personal gain (Bass, 1994). Thus the leader's actions should be congruent and not incongruent with the organisation's mission statement if leaders serve as role models.

Through *idealised influence*, *charismatic leaders* are able to motivate subordinates to exert extra effort, by attaching intrinsic worth to the activities which are necessary to attain goals. Goals are seen as ordinary, rational purposes by followers. The leaders inject faith into the future of subordinates, which in turn heightens their self-esteem (Bass & Yokochi, 1991). Idealised influence can thus be seen as a necessary leadership behaviour for receiving and maintaining the trust of followers.

Transformational leaders *inspire* those around them by creating meaning and challenge in the working environment of followers (Bass, 1994). *Inspirational motivational* leaders infect followers with their passion, enthusiasm and energy to optimal levels of performance. Transformational leaders utilise pep talks, images and symbols to transmit ideas to followers (Horine and Bass, 1992; Northouse, 1997; Dubinsky, Yammarino and Jolson, 1995). The outcome of *inspirational motivational* leadership behaviour is best demonstrated by followers who thrive on the leader's enthusiasm, raising the workers' productivity.

Inspirational motivation is a process in which the leaders increase and arouse motivation in followers (Bass, 1985a). According to Bass (1988) the *inspirational leader* is "perceived by followers to be knowledgeable, enlightened and sensitive to the problems at hand". These characteristics build confidence in followers. The leader gives meaning to the actions of followers, which in turn creates trust in the followers. Other typical *inspirational* behaviours are setting challenging standards, remaining calm in times of crises, appealing to the feelings of followers, and envisioning a better future. *Inspirational motivational leaders* are usually great orators and elegantly articulate to followers how they are going to turn the vision into reality (Bass, 1988). It is important that transformational leaders take a transparent approach in executing new policies, in order to build the trust of followers in the organisation

Bass (1988) identified the following components of *inspirational motivation*:

- Managing meaning
- Managing impressions
- Moulding follower expectations
- Envisioning
- Intellectually stimulating followers.

Leaders manage meaning by communicating a collective purpose to followers. Symbols, slogans, anecdotes and codes are used to simplify communication in order to eliminate confusion, ambiguity and contradictions in complicated messages (Bass, 1988). Although metaphors, anecdotes and analogies are inspiring, transformational leaders choose the type of language which suits their audience (du Brin, 1995). An excellent example of the power of slogans and symbols is the 1995 Rugby World Cup campaign mounted by the eventual victors, the Springboks of South Africa. The Springbok is a small buck which symbolises the proud history of South African rugby. The Springbok can be seen as a symbol to which each young rugby player in South Africa aspires. The Springboks were rallied to victory by a variety of theme songs (specially prepared for their Rugby World Cup campaign) sung by the home crowd in Johannesburg on 24 June 1995. "One Team, One Country" was the Springboks' official slogan for the tournament, which united the support of 42 million South Africans of all races, colours and creeds, behind the 1995 Rugby World Cup champions (Griffiths, 1996; Pienaar, 1999).

New symbols destroy old values and create new values and ideas. These symbols are signs that are linked to the cognitions of followers. Leaders use impression management to create a favourable impression. Political leaders often reflect an image of intelligence, power and competence to their followers by means of impression management. Setting clear, unambiguous and high performance criteria, which subordinates have to meet, moulds followers' expectations. It is important that leaders show confidence in followers. This arouses an expectation of success in followers,

which in turn becomes a self-fulfilling prophecy. Envisioning creates a representation of an ideal future state. Strategies, decisions and behaviours that are necessary to create this ideal future are communicated to followers. Strategy is determined by the strengths and weaknesses of the company, as well as the opportunities and threats in the external environment. In South Africa, for example, new values have destroyed old values. South African political leaders need to link new values to the cognitions of their supporters as well as their detractors.

Intellectual stimulation enables followers to realise their full potential (Bass, 1988). It is the process by which people are inspired to unleash all the dormant potential within them that is just waiting to be tapped (Bass, 1988). Transformational leaders use *intellectual stimulation* to transform the thinking processes of followers. Followers are encouraged to make a paradigm shift in their thinking in relation to technical and human relations problems. Supervisors use *intellectual stimulation* to ensure that followers look at old methods and problem in new ways (Avolio, Waldman & Yammarino, 1991; Horine & Bass, 1993; Dubinsky, Yammarino & Jolson, 1995; Bass, 1994). This implies that intellectual stimulation forces followers to be more innovative in problem-solving and decision-making. Followers become leaders in themselves, by learning to take the initiative.

Leaders challenge employees to change old limiting attitudes, values and behavioural patterns and replace them with new, more effective patterns. Employees are encouraged to think for themselves (Avolio, Waldman & Einstein, 1988; Bass & Avolio, 1997). In turn employees challenge the beliefs and values of the leader (Northouse, 1997; Bass and Avolio, 1994). *Intellectual stimulation* arouses a consciousness of problems in followers. It is therefore important that followers conceptualise, understand and scrutinize information effectively in order to come up with imaginative, innovative and original solutions to problems (Yammarino, Spangler & Bass, 1993). *Intellectual stimulation* is a process in which the leaders stimulate followers to think about old problems in new, unique ways (Bass, 1997).

Intellectual stimulation provides followers with the opportunity to see problems in a unique way and to develop their potential, which will assist them not only in solving present problems but also future problems. Followers are encouraged to find new, innovative solutions for problems (Avolio, Waldman & Yammarino, 1991). In essence, *intellectual stimulation* as a transformational leadership behaviour requires a leader to exert exceptional effort in order to change the thinking of followers, which in turn will redirect their actions (Hollander, 1992).

A leader who treats each individual follower differently according to his/her own unique set of needs, displays a high degree of *individualised consideration*. These leaders do not treat followers as if they all have the same needs. Individual leaders who show

individual consideration share and listen to the individual worker's concerns, while building the individual worker's confidence. In short, leaders deal with followers on a one-to-one basis and treat followers as individuals (Avolio, Waldman & Einstein, 1998; Avolio, Waldman & Yammarino, 1991; Bass & Avolio, 1997; Dubinsky; Yammarino & Jolson, 1995).

Leaders listen to the individual concerns of followers and have a high degree of empathy with subordinates. Gradually, the leader builds confidence in his/her subordinates. The leader is a coach, mentor and adviser to the followers, which creates a mutually supportive environment (Avolio, Waldman & Yammarino, 1991; Horine & Bass, 1993; Northouse, 1997; Bass, 1994). Tasks are delegated to followers, which is a method of developing followers (Bass, 1985a). Transformational leaders monitor tasks to determine whether followers need additional support. Although the leader monitors individual progress, the followers never feel that they are being checked on (Bass, 1994). Basu and Green (1997) found in an empirical examination of innovative behaviours in leader-member dyads that followers were more committed to the organisation if they were supported by their leaders and were also more likely to engage in innovative behaviours.

Individualised consideration leadership involves a process of continuous feedback. The ultimate goal of this process is to link the needs of the individual to the needs of the organisation (Yammarino, Spangler & Bass, 1993). The subordinate is given the resources necessary for goal attainment. The leader removes all obstacles that could hinder goal attainment (Avolio, Waldman & Yammarino, 1991).

A leader who pays attention to the individual achievement and growth needs of subordinates displays *individualised consideration*. Charisma attracts the follower to the vision, but the leader's display of *individual consideration* contributes to the individual's ability, which can assist him/her in achieving his/her full potential (Yammarino, Spangler & Bass, 1993; Bass, 1994).

Individualised consideration as a behaviour, can positively affect the performance of the group, team and organisation. In essence, *individualised consideration* should start with top management and diffuse through to the lower echelons of the organisation. Individuals should be aligned to the organisational culture (Bass & Avolio, 1995). In essence, *individual consideration* can contribute to bringing out the best in each employee in an organisation.

Research has proved that transformational leadership leads to a higher degree of effectiveness in a variety of contexts, for example, in industry, military and educational spheres (Bass, 1998; Saayman, 1997; Bass, 1990). Research also indicates that transformational leadership has a positive effect on general managerial effectiveness

(Tracey & Hinkin, 1998), performance in banks (Geyer & Steyrer, 1998), creativity (Sosik, Kahai & Avolio, 1998; Sosik, Avolio & Kahai, 1998), sport administration (Ristow, 1998), laboratory work (Kirkpatrick & Locke, 1996), financial performance (Barling, Weber and Kelloway, 1996), student academic achievement (Koh, Steers & Terborg, 1995), consolidated business unit performance (Howell & Avolio, 1993), the socialisation of union loyalty (Fullagar, McCoy and Shull, 1992), school reform (Silins, 1992), corporate audit committees (Spangler & Braiotta, 1990), implementing participative management systems (Collins, Ross & Ross, 1989), and management game simulation situations (Avolio, Waldman & Einstein, 1988). Deluga and Souza (1991) found that transformational behaviour is more effective in influencing the behaviour of subordinate police officers than transactional leadership.

The MLQ measures three performance outcomes: general satisfaction, effectiveness, and extra effort. The MLQ is discussed in more detail on pp. 91-95. *Satisfaction* indicates the degree to which both the leader and follower are satisfied with the leadership style. General satisfaction with the leader is also part of the satisfaction construct (Bass and Avolio, 1997). Gilbert (1985) believes that leaders should create positive relationships with subordinates, which in turn will enhance group performance. A research study by Druskat (1994) proved that both males and females were more satisfied with transformational leadership than transactional leadership. Deluga (1988) found that leader-follower-influencing interactions are viewed as more effective in creating effectiveness, leading to a higher level of organisational productivity.

Extra effort is the amount of effort that the follower is willing to engage in that exceeds the ordinary, owing to the impact of leadership (Bass, 1990). *Effectiveness* reflects the leader's effectiveness in four areas as perceived by the leaders and others. *Effectiveness* consists of the following four areas: meeting the job-related needs of associates, communicating subordinate needs to higher-level management, contributing to overall effectiveness of the workgroup, and organisation effectiveness (Bass and Avolio, 1997). It can be hypothesised that leaders who utilise a large number and a great variety of transformational leadership behaviours will also be effective in enhancing overall group performance.

A study by Hater and Bass (1988) confirmed that subordinates were more satisfied with, and perceived transformational leaders as being more effective than, transactional leaders. According to Bass (1985a), transformational leaders "may arouse their followers emotionally and inspire them to extra and greater accomplishment".

4.4 ANTECEDENTS OF TRANSFORMATIONAL LEADERSHIP

According to Bass (1985a) there are two antecedents of transformational leadership,

namely organisational environment and the individual personality. These factors are in constant interaction with each other and affect the transformational process.

4.4.1 The Organisational Environment

According to Pawar and Eastman (1997) research has found a close relationship between organisational context and leadership. According to Bass (1985a) the emergence of transformational and transactional leadership will depend on the following variables: the external environment in which the leadership occurs (which was discussed in detail in Chapter 2); the immediate organisation and the influence of subordinates, peers and superiors on the leader and the organisational environment; and finally the personality and values of the leader. From the above it can be inferred that different leadership behaviours are needed for different types of organisations in terms of level of complexity, level of formalisation, and level of centralisation.

Charismatic leadership and *inspirational motivation* are effective in a poorly structured organisation going through a period of crisis. *Individualised consideration* is effective in an organically structured organisation (characterized by low complexity, low formalization and decentralization) in which the environmental norms favour leaders who support their subordinates in completing tasks. *Intellectual stimulation* thrives in a poorly structured organisation in which followers have to cope with difficult problems in order for them to learn, grow and mature. *Contingent reward* and *management-by-exception* leadership is effective in mechanistic organisations (characterized by high complexity, high formalization, and centralization). These organisations are characterized by a well-structured, stable and orderly environment that possesses pragmatic norms. Organisational structure, climate, tasks and objectives create the need for either transformational or transactional leadership (Bass, 1985a). Podsakoff, MacKenzie and Bommer (1996) suggest that leaders should learn to understand contextual variables, since they influence subordinate attitudes, role perceptions and performance.

4.4.2 Individual Environment

Dubinsky, Yammarino and Jolson (1995) identify the following leadership characteristics which are related to transformational leadership: emotional coping, behavioural coping, abstract orientation, risk taking, innovation, use of humour, and experience. Unless otherwise stated, this section will deal exclusively with the work of Dubinsky, Yammarino and Jolson (1995).

Emotional coping reflects the inner strength of an individual. It is the degree of resilience and belief of the leader in his/her values, opinions and abilities. Transformational

leaders have the ability to deal with their inner conflicts (Bass, 1985b). Behavioural coping is the ability of the leader to be proactive and remain positive about life in general. Managers who possess a high degree of behavioural coping are able to remove obstacles and address problems effectively. Abstract orientation is the ability of the leader to deal with vague and ambiguous information. Risk taking is the degree to which leaders are willing to take chances even in the face of adversity. Innovation is the ability of the leader to try new things, be creative and challenge the status quo. Effective managers use their sense of humour to establish stronger bonds with their followers, relieve tense situations and to increase the effectiveness of their communication. The combination of a person's personal and work experience influences his/her leadership style (Dubinsky, Yammarino and Jolson, 1995).

Dubinsky, Yammarino and Jolson (1995) suggest that an increase in the seven personality traits mentioned above will increase the amount of individualised consideration, intellectual stimulation, inspirational motivation and idealised influence.

The rest of this section deals exclusively with the views of Bass (1985b) on transformational leadership. Bass (1985b) states that leaders who have a value system which does not accurately reflect the values of the organisation are likely to emerge as transformational leaders. It is important that transformational leaders treat individual workers with dignity, respect and humaneness. This enables the leader to meet the needs of his/her followers. In the long run, moral leadership is more beneficial to the organisation's wellbeing than immoral leadership. Reputation accounts for the leader's influence and effectiveness with superiors, peers and subordinates. It is important that leaders value the purposes of their organisations. The purpose of any enterprise should be to maximize profits and satisfy various stakeholders, thereby enhancing its own quality of life as well as that of its stakeholders. The final paragraph of this section suggests that the personal values of the leader should be congruent with the values of the organisation in order to meet the long-term needs of the organisation and its followers.

4.5 THE NEED FOR TRANSFORMATIONAL LEADERSHIP IN SOUTH AFRICA

In effect, transformational leadership has played a vital role in the history of South Africa. Despite years of segregation and discrimination, leaders of the past regime have had the vision to remove all barriers of Apartheid. The release of 'Nelson' Mandela and all the subsequent changes have been encouraging, and have led to a great deal of confidence in all communities (Simoncelli, 1997).

Chapter 2 deals exclusively with the challenges which leaders will have to overcome in the new South Africa. Unless otherwise stated, this section will focus exclusively on the

views of Avolio (1995) on transformational leadership in South Africa. This section deals with how leaders will have to overcome problems by displaying transformational behaviours in the context of the South African environment.

African culture cherishes a sense of community, while the Western part of South African culture strongly supports individualism. Transformational leadership balances the rights of the individual without sacrificing the rights of the group by inspiring each individual to work towards a common vision. It is important that the common vision should be linked to the idea of an ideal future.

The common goal, which the leader provides, should align the diverse perspectives of each individual follower (inspirational motivation). Successful alignment with a common goal transcends individual perspectives, leads to a higher sense of collective motivation, and a high degree of commitment to the group, and creates synergy amongst individuals. Synergy literally means that the whole is more than the sum of its parts. It is therefore important that the goal should inspire and excite followers. Inspirational motivation is beneficial to team spirit (Northouse, 1997).

The self derives its identity from the whole; in turn the individual members who belong to the group help to define it. The transformational leader leads by example; he/she works towards the wellbeing of the group and is willing to sacrifice personal needs for the wellbeing of the group, while encouraging followers to follow his/her example. Transformational leaders are also concerned about developing the potential of each individual member (individualised consideration), which in turn will enhance the contribution of each individual member to the group effort.

Regardless of an individual's personal orientation, strong transformational leadership aligns an individual to a common purpose. Aligning an individual to a common purpose is not only a core aspect of transformational leadership, but is also a vital aspect of Afro-centric thinking. Therefore, it is necessary to train transformational leaders in order to align individual workers in this country to a common purpose.

4.6 TRAINING TRANSFORMATIONAL LEADERS IN SOUTH AFRICA

Leadership development is also important in South Africa's quest to become a world-class country. According to the researcher's knowledge, this is the first time a study on the feasibility of leadership training in South Africa has been conducted. Although transformational leadership research has been conducted in a diverse range of settings, empirical research on this topic has been sadly lacking. A brief discussion of transformational leadership training follows below.

Even in the lower levels, a lack of leadership can influence organisational performance negatively (Kotter, 1995). The development of leadership skills is therefore extremely important. Unfortunately there is a cliché in society today that leaders are born and not made. Therefore leadership training is often seen as a futile, expensive and time-wasting activity. Bass and Avolio (1994) strongly disagree with this statement and, on the contrary, firmly believe that transformational leadership skills can be developed. According to various leadership theorists, namely Wilson, O'Hare and Shipper (1990), Lombardo and McCauly (1990) as well as Posner and Kouzes (1990), leadership skills can be developed. Contrary to conventional wisdom, transformational leadership is a widespread phenomenon. Transformational leaders are not only found in the upper echelons of the organisation. Furthermore, transformational leadership skills are not only available to people with the right job credentials or academic background. According to Bass (1990a), transformational leadership is often found among first-level supervisors.

In the light of above-mentioned fact, Bass (1990a) clearly states that:

“Transformational leadership can be learned and it can and should be the subject of management training and development. Research has shown that leaders at all levels can be trained to be charismatic.”

Kuhnert and Russel (1992) support the views of Bass and clearly state that skill acquisition is essential for effective leadership performance. Therefore effective approaches should be utilised when training transformational leadership skills, for example, counselling, workshops and mentoring (Bass, 1990). Wofford & Goodwin (1994) suggest that performance appraisals, communication, feedback, and sensitivity to the external environment should be used for training transformational leaders. According to Wofford & Goodwin (1994) transactional and transformational leadership behaviours should be evaluated in terms of environmental and feedback information on the leader's level of performance. This paragraph highlights the cardinal importance of using managerial performance as a criterion for identifying future leaders for training purposes.

Programmes are not always effective in identifying possible leadership talent (Gardner, 1990). Adair (1988) suggests that line managers with a proven track record of managing people at the place of work, should identify potential leaders. Organisations should actively monitor the career paths of employees in order to ensure that all potential leaders are identified and utilized (Sonnefeld, 1995). Gardner (1990) sees leadership development as a lifelong process. Tromp (1996) proposes a model which will enable companies to identify future leaders (see **Figure 4.6, p.78**). This model focuses on the current level of managerial performance. Transformational leaders are likely to come out of the “learner” and “star” category. Managers who emerge from the “star” category

are currently engaging in a high level of performance and have a high level of potential (Tromp, 1996). Although "stars" perform well and have a high level of potential, they can still benefit from training. Ross and Smyth (1995) propose that gifted children (stars) should be actively trained in leadership skills. De Guigand in Rupert (1967, p.70) shares the view that training can improve leadership among star performers:

"Great leaders are probably born with exceptional qualities - but of course they must have opportunity. But no doubt much can be done by teaching, learning and training".

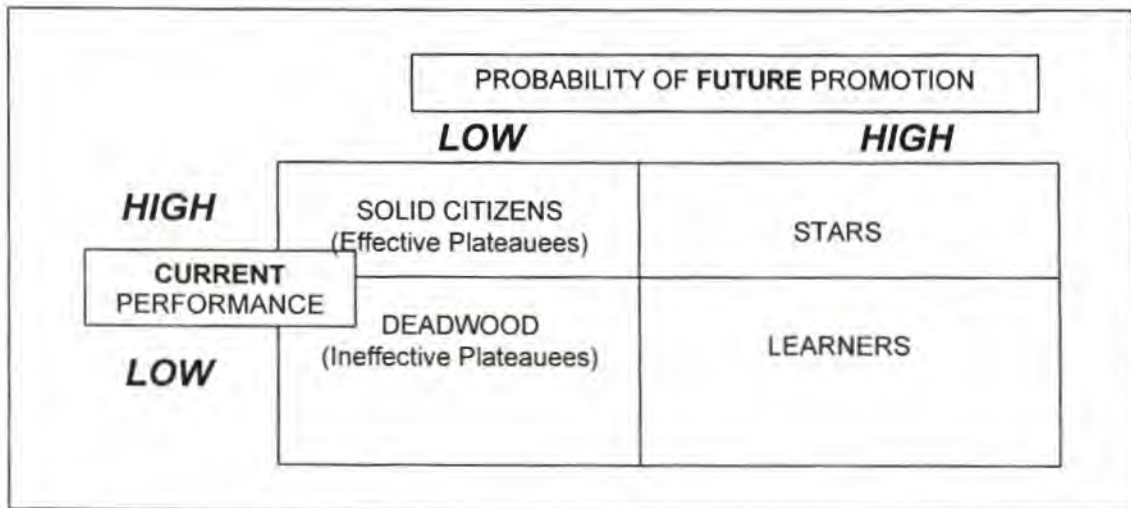


Figure 4.6 Categorising Managers According to Performance and Potential (Tromp, 1996, p.6)

On the other hand, managers who emerge from the "learner" category have a high level of potential, but may not presently be performing (Tromp, 1996). Taylor in Rupert (1967, 222) suggests that organisations should consider the willingness of the individual to accept leadership, before undergoing any special type of leadership training:

"Training will not create a desire for that which is unwanted; it will not generate ambition for leadership in a man who wants to be only a follower".

In the light of individual desire, premature career pathing for "learners" should be avoided. Learning experiences that form part of the "learner's" current position should also be overlooked. A person performing at a satisfactory level may lack the potential to be developed for a leadership position. A person who lacks potential to be developed for a leadership position but is performing satisfactorily in his present position is known as a solid citizen. It is also unnecessary to develop managers who are going to be dead wood in the near future (Tromp, 1996).

Figure 4.6 suggests that leaders can be developed with the pre-condition that the latent potential exists within the ability sphere of the trainee leader. In order for the training of transformational leaders to be successful, it is important that the managers possess an acceptable level of "trainee readiness". It is essential that managers possess the necessary prerequisite skills for them to perform successfully in the training situation (Goldstein, 1993; Tromp, 1996). Ivancevich and Donnelly in Tromp (1996) state that training goals are achievable if learners believe that they can produce the result, which in turn will improve the performance of learners.

According to Bass, Waldman, Avolio and Bebb (1987) it is essential to develop transformational leadership skills at upper levels of management because this will create a "falling dominoes effect" through to the lower levels of the organisation, which will increase transformational leadership skills at the lower levels of the organisation. In the problematic South African society it is essential that the "falling dominoes effect" must filter through to all levels of society in order to create a climate of hope, trust and optimism.

Effective leadership needs to align the tenacious drive of all South Africans towards goodwill and prosperity. Strategic aims and objectives can be achieved under competent leadership and direction (Simoncelli, 1997). This section suggests that the different cultures or value systems in South Africa need to be integrated in order to establish common ground. All South Africans need to pursue a common goal or vision in order to fulfil the individual dreams of the majority of this country's citizens. Aforementioned emphasises the need for training transformational leaders in order to create a common goal to which all South Africans can aspire.

4.7 SUMMARY

Transformational leaders are proactive, transactional leaders are reactive, whilst laissez-faire leaders are inactive (den Hartog, et al., 1997). Transformational leadership has been effective in a variety of situations. Supporting evidence from the literature study should make it clear to the reader that transformational leadership has a role to play in South African society. Most important of all, according to various theorists, transformational leadership skills can be learned. This study sets out to prove that training for transformational leaders is feasible in South Africa.

CHAPTER 5

METHODOLOGY

5.1 INTRODUCTION

The literature study covered such factors as external challenges facing leaders in a changing South Africa, leadership, and transformational leadership. These preceding chapters lay the foundation for the research project.

Whilst the problems and questions of the research study was stated in chapter 1, pp. 2-4; this chapter is concerned with the operationalisation of the problem and questions that this study is posing. The goal of the study is to determine the feasibility of training transformational leaders in South Africa. In order for training to be feasible, there needs to be a transfer of knowledge from the training situation to the leadership behaviour of the course participant. A measuring instrument, the Multi-factor Leadership Questionnaire (MLQ), is used for measuring transformational leadership skills (refer to pp. 91-95). This study investigated whether transformational leadership behaviours were already present in South African leaders before training. If a lack of transformational leadership ability existed, then it needed to be rectified by training.

This project is concerned not only with the feasibility of leadership training in South Africa, but also with the evaluation of training. Feedback from programme participants (testing their reaction to the *Full Range Leadership Programme*) was also collected by means of a survey study. This will enable the USB to detect and rectify current deficiencies in the presentation of the current programme.

This chapter begins by focussing on the following two methodological issues: the problem and its setting and the formulation of hypotheses.

5.2 PURPOSE OF THE STUDY AND THE RESEARCH PROBLEMS

The purpose of the study is to determine whether transformational leadership development is feasible in the RSA.

- a) The first sub-problem is to determine whether there is a need to develop transformational leadership skills in South African leaders. This research project will differentiate between the actual MLQ profile of the total South African

Transformational Leadership sample and the ideal transformational leadership profile according to D. Tromp (personal communication, April 12, 1999). For the purpose of simplicity, the ideal profile according to D. Tromp is referred to as “the Ideal Theoretical Leadership Profile of transformational leadership”. The rationale for the Ideal Theoretical Leadership Profile is as follows:

- Leaders should receive extremely high scores (in excess of 3.5) on all transformational leadership dimensions.
- Leaders should receive a score of 2.5 for the contingent reward dimension.
- Leaders should receive scores less than 1 on the management-by-exception dimensions.
- Leaders should receive a score of zero on the laissez-faire dimension.

In other words leaders should frequently display transformational leadership behaviours, whilst transactional leadership behaviours should be displayed infrequently. Laissez-faire behaviours should be completely absent from the ideal leadership profile of the MLQ.

The transformational leadership profile of leaders who have scored well on the outcome measures dimensions, are compared to leaders who did not perform well on the outcome measures construct. This profile is referred to as “the Ideal Effectiveness Leadership Profile” for the purposes of this research project. In the methodology section of this thesis, the researcher will discuss how a cut-off point for the outcome measures construct for the selected transformational leaders was established. South African transformational leaders are compared to an international sample on the transformational leadership construct. This sub-problem sets out to determine whether there is a need for transformational training and development in South Africa. If the total sample scores less than the ideal profiles on the transformational leadership dimensions, the argument can be stated that there is a need for training and developing transformational leaders.

- b) The second sub-problem is to determine whether the MLQ is a valid instrument for measuring transformational leadership.
- c) The third sub-problem is to compare the MLQ scores of leaders who have been trained by the USB, to the total South African sample. The MLQ scores of leaders who have been trained by the USB will also be compared to an international sample. According to Professor D. Tromp, coordinator of the *Full Range Leadership Programme* at the USB, the norm score of transformational leaders trained by the USB can be expected to be higher than the South African as well as the international sample. The reason for this is that only top executives are exposed to the *Full Range Leadership Programme* by the USB. This sub-problem sets out to determine whether the USB group is a select group.

- d) The fourth sub-problem is to test the reaction of leaders who have been trained at the USB in the *Full Range Leadership Programme*.

In order to address the research problem it is necessary to formulate hypotheses in order to answer the questions that were raised in Chapter 1, p. 3 regarding the research.

5.3 HYPOTHESES

As is generally known, a hypothesis is a declaration that makes a provisional assertion about the world (Mouton 1996). A "good" hypothesis is empirically testable or measurable, therefore researchers should collect and analyse data that refute or support it. The reader is also reminded of the fact that a hypothesis is a statement that describes a relationship between variables (Dane 1990). Furthermore, Leedy (1974) states that hypotheses provide direction to the research project.

Chapter 3 covered leadership theory, while chapter 4 attended to transformational leadership theory. The hypotheses were inferred from the literature study on leadership and specifically transformational leadership theory.

Firstly, the main problem was identified as well as the four sub-problems. Secondly, sub-problems one and three were stated by means of seventeen hypotheses.

5.3.1 Hypotheses one to seventeen

Hypothesis 1:

- Ho: The MLQ profiles of the total South African sample will not indicate a significant relationship to the ideal theoretical leadership profile.
- Ha: The MLQ profiles of the total South African sample will indicate a significant relationship to the ideal theoretical leadership profile.

Hypothesis 2:

- Ho: The MLQ profiles of the rest of the South African sample will not indicate a significant relationship to the ideal effectiveness leadership profile.
- Ha: The MLQ profiles of the rest of the South African sample will indicate a significant relationship to the ideal effectiveness leadership profile.

The objective of hypotheses three to seven is to distinguish the relationship between South African transformational leaders and an international sample of transformational leaders on the transformational leadership dimensions (4 I's) of the MLQ. Idealised Influence Attributed and Idealised Influence Behaviour are separate dimensions for the

purposes of hypothesis three to seven.

Hypothesis 3:

Ho: There will be no statistically significant difference between the total South African sample and an international sample on the idealised influence attributed dimension of the MLQ.

Ha: There will be a statistically significant difference between the total South African sample and an international sample on the idealised influence attributed dimension of the MLQ.

Hypothesis 4:

Ho: There will be no statistically significant difference between the total South African sample and an international sample on the idealised influence behaviour dimension of the MLQ.

Ha: There will be a statistically significant difference between the total South African sample and an international sample on the idealised influence behaviour dimension of the MLQ.

Hypothesis 5:

Ho: There will be no statistically significant difference between the total South African sample and an international sample on the inspirational motivation dimension of the MLQ.

Ha: There will be a statistically significant difference between the total South African sample and an international sample on the inspirational motivation dimension of the MLQ.

Hypothesis 6:

Ho: There will be no statistically significant difference between the total South African sample and an international sample on the intellectual stimulation dimension of the MLQ.

Ha: There will be a statistically significant difference between the total South African sample and an international sample on the intellectual stimulation dimension of the MLQ.

Hypothesis 7:

Ho: There will be no statistically significant difference between the total South African sample and an international sample on the individual consideration dimension of the MLQ.

Ha: There will be a statistically significant difference between the total South African sample and an international sample on the individual consideration dimension of the MLQ.

Hypotheses eight to twelve compare the MLQ (4 I's specifically) scores of leaders trained by the USB to the total South African sample on the same dimensions. Once again a distinction has been made between Idealised Influence Attributed and Behaviour dimensions.

Hypothesis 8:

- Ho: There will be no statistically significant difference between transformational leaders trained by the USB and total South African sample on the idealised influence attributed dimension of the MLQ.
- Ha: There will be a statistically significant difference between transformational leaders trained by the USB and total South African sample on the idealised influence attributed dimension of the MLQ.

Hypothesis 9:

- Ho: There will be no statistically significant difference between transformational leaders trained by the USB and total South African sample on the idealised influence behaviour dimension of the MLQ.
- Ha: There will be a statistically significant difference between transformational leaders trained by the USB and total South African sample on the idealised influence behaviour dimension of the MLQ.

Hypothesis 10:

- Ho: There will be no statistically significant difference between transformational leaders trained by the USB and total South African sample on the inspirational motivation dimension of the MLQ.
- Ha: There will be a statistically significant difference between transformational leaders trained by the USB and total South African sample on the inspirational motivation dimension of the MLQ.

Hypothesis 11:

- Ho: There will be no statistically significant difference between transformational leaders trained by the USB and an total South African sample on the intellectual stimulation dimension of the MLQ.
- Ha: There will be a statistically significant difference between transformational leaders trained by the USB and an total South African sample on the intellectual stimulation dimension of the MLQ.

Hypothesis 12:

- Ho: There will be no statistically significant difference between transformational leaders trained by the USB and total South African sample on the individual consideration dimension of the MLQ.
- Ha: There will be a statistically significant difference between transformational

leaders trained by the USB and an international sample on the individual consideration dimension of the MLQ.

Hypotheses thirteen to seventeen compare the MLQ (4 I's specifically) scores of leaders trained by the USB to a group of international leaders on the same dimensions. A distinction was made between Idealised Influence Attributed and Idealised Influence Behaviour.

Hypothesis 13:

Ho: There will be no statistically significant difference between transformational leaders trained by the USB and an international sample on the idealised influence attributed dimension of the MLQ.

Ha: There will be a statistically significant difference between transformational leaders trained by the USB and an international sample on the idealised influence attributed dimension of the MLQ.

Hypothesis 14:

Ho: There will be no statistically significant difference between transformational leaders trained by the USB and an international sample on the idealised influence behaviour dimension of the MLQ.

Ha: There will be a statistically significant difference between transformational leaders trained by the USB and an international sample on the idealised influence behaviour dimension of the MLQ.

Hypothesis 15:

Ho: There will be no statistically significant difference between transformational leaders trained by the USB and an international sample on the inspirational motivation dimension of the MLQ.

Ha: There will be a statistically significant difference between transformational leaders trained by the USB and an international sample on the inspirational motivation dimension of the MLQ.

Hypothesis 16:

Ho: There will be no statistically significant difference between transformational leaders trained by the USB and an international sample on the intellectual stimulation dimension of the MLQ.

Ha: There will be a statistically significant difference between transformational leaders trained by the USB and an international sample on the intellectual stimulation dimension of the MLQ.

Hypothesis 17:

- Ho: There will be no statistically significant difference between transformational leaders trained by the USB and an international sample on the individual consideration dimension of the MLQ.
- Ha: There will be a statistically significant difference between transformational leaders trained by the USB and an international sample on the individual consideration dimension of the MLQ.

This methodology chapter describes the methods used in the study to investigate the problem the study wishes to address as well as various hypotheses and their interpretation. Furthermore the data gathering approach, covering letter, population sample and sampling approach, the two research instruments, and Kirkpatrick's levels of evaluation is discussed as well as their practical usefulness. Lastly, the appropriate statistical techniques used in the study are described.

5.4 RESEARCH DESIGN

According to Leedy (1974), Smit (1993) and Ristow (1998), a research design is the plan, strategy and structure of a research project. A brief outline the methodology of the research will now follow.

Firstly, permission was obtained from Productivity Development (Pty) Ltd. to use the results of testing South African leaders on the Multi-factor Leadership Questionnaire, which is used for training purposes (see pp. 91-95 for more information regarding the MLQ). Productivity Development (Pty) Ltd. provided the researcher with all the data they have gathered regarding the Full Range Leadership Programme between the period of March 1995 to June 1999. The Multi-factor Leadership Questionnaire evaluates transformational leadership behaviours according to the *Full Range Leadership Programme* of Bass and Avolio (1985a). Secondly, a questionnaire was developed testing the respondents' reactions to the *Full Range Leadership Programme* as presented by the USB. This questionnaire was used for the purposes of a survey study. Thirdly, a list of students was obtained (containing addresses and telephone numbers) who had completed the *Full Range Leadership Programme* at the Graduate School of Business, University of Stellenbosch. Fourthly, bursary funds were obtained from the University of Stellenbosch to cover certain costs, for example mail costs. Fifthly, respondents were phoned, using the list obtained from the USB to determine whether they were willing to participate in the survey study. This was done for two reasons. The first reason was to find out whether there would be enough interest in the planned research.

The second reason was to find out whether any of the respondents had changed jobs and therefore had changed their postal address. This would also reduce mail costs. Sixthly, the questionnaire testing the reaction of the respondents to the *Full Range Leadership Programme* was administered to the respondents. Seventhly, quantitative data was gathered from the data base of Productivity Development (Pty.) Ltd. (regarding the MLQ); quantitative and qualitative data were gathered by means of a survey study testing the reaction of participants of the *Full Range Leadership Programme* at the USB. Data was then processed. Eighthly, the hypotheses were tested. The questionnaire that tested the reaction of the participants on the programme was processed by means of qualitative analysis. The data base of the MLQ was also analysed. Finally, all available results were assessed and interpreted.

As a whole, the project is concerned with the empirical testing of hypotheses (quantitative analysis) as well as the qualitative analysis of the questionnaire testing the reaction of participants towards the programme.

5.5 DATA GATHERING

The data regarding Multi-factor Leadership Questionnaire was used to test the leadership behaviours of trainees who participated in the *Full Range Leadership Programme* throughout South Africa (*refer to pp. 61-73*). Data was collected from the complete and updated data base of Productivity Development (Pty.) Ltd. The point about the Multi-factor Leadership Questionnaire needs further explanation. The Multi-factor Leadership Questionnaire consists of two versions (Bass & Avolio, 1997). One version is a leader version in which the participants rate their own leadership behaviour, while the other version is a rater version in which the leader is evaluated on his/her leadership behaviour by three people who work in close association with him/her. Three raters were used for training purposes on the MLQ (a subordinate, a peer and a superior) to evaluate the leader for training purposes. This is discussed in more detail later in the chapter. Finally, a sample of leaders trained by the USB were also tested on the reaction level by means of a self-developed questionnaire. The participants completed the questionnaire and returned it via the company mail system (Mitchell and Jolley, 1988). The postal charges were pre-paid by the University of Stellenbosch.

5.6 COVERING LETTER

As mentioned in **section 5.4** of this chapter, participants were asked by telephone, fax and e-mail to respond to the survey study. Participants were informed in the covering letter why they had been chosen to participate in the study. Respondents were informed that the University of Stellenbosch funded the research. Potential respondents are more

likely to be motivated to participate in research if it is associated with a credible institution. The underlying rationale for the study was also explained to the respondents. Since little research has been done on the evaluation of transformational leadership, the respondents were informed that their assistance would contribute to the scientific knowledge of the field of Transformational Leadership. Anonymity and confidentiality of participants were guaranteed. Participants were also informed that they would receive feedback on the results of the study. Return envelopes (pre-paid postage) were made available to respondents. The researcher also included his telephone number in the covering letter (see Appendix A), so that respondents were able to call him if there were any questions regarding the research. To sum up, the covering letter tried to convey the impression that the research was important and serious. Careful attention was paid to detail in order to convey a favourable impression on the respondent. A favourable first impression on respondents is likely to increase subject participation (Sedlack and Stanley, 1992). At this point of time it is appropriate to discuss the population and sample group utilised for this research project.

5.7 THE POPULATION AND SAMPLE GROUP UTILISED DURING THE RESEARCH

As is generally known in research circles, a population is, "the total number of elements that exist at the time of the study and that possess some characteristics of interest to the researcher" (Sedlack and Stanley 1992). In this research the total population would be every person in the world who has had exposure to the *Full Range Leadership Programme*. For obvious reasons it is impossible to study the total population. Therefore only a portion of the population was used, namely the total South African sample who had completed the *Full Range Leadership Programme*. Thus a sample or a portion of the elements in the total population was utilised (Dane, 1990). A smaller sample taken from the total South African population was also used, namely the group that was trained in the *Full Range Leadership Programme* at the University of Stellenbosch. During this empirical research investigation, data obtained by means of the MLQ and the self-developed questionnaire (for the purposes of a survey study) were utilised.

As is generally known, the sample enables researchers to draw generalisations from the sample to the total number of units or general population (Parasuraman in Ristow, 1998). Sedlack and Stanley (1992) refer to the following reasons for drawing a sample from the population: the size of the population, time constraints, and financial limitations. Firstly, owing to the size of the total South African sample, it would be difficult tracking down people who have completed the *Full Range Leadership Programme* throughout the country, since people move around frequently in the ever-changing world of business. Time constraints, as well as financial implications, would also make it difficult

to evaluate the complete South African sample. Furthermore, not all participants who completed the *Full Range Leadership Programme* at the USB were willing to participate in the study. This research project will elaborate on this point in the next paragraph. The researcher was thus forced to choose a sample simply owing to the unavailability of certain segments of the sample who completed the *Full Range Leadership Programme*. Secondly, in the practical world of research there is simply not enough time to study all elements of a population. Finally, insufficient funds made it impossible to do a survey study on the total population of transformational leaders in South Africa for the purposes of a survey study. A major study would involve hiring staff to assist with design, execution and data analysis.

For the purposes of the survey study, a convenience sample was used (Mitchell and Jolley, 1988). The researcher phoned, e-mailed and faxed information through, in order to find out whether participants who participated in the *Full Range Leadership Programme* of the USB were willing to participate in the study. As described earlier, self-raters as well as raters were used to complete the questionnaires. This created some methodological difficulties. A large number of participants were unable to participate for the reasons of emigration or work pressure, and some respondents chose not to respond to the faxes, e-mails and telephone calls. In order to get participation from the respondents, feedback was promised, regarding the feasibility of the *Full Range Leadership Programme*.

In order to increase the response rate, respondents were promised anonymity and feedback on all research results. Hundred and six of the three hundred and fifty people trained by the USB were traced and were willing to participate in the survey study. Forty six of the hundred and six people reacted. This is not representative of the total South African sample and was done purely for the purposes of an explorative survey study.

5.7.1 The Respondents

In order to make inferences about the programme participants at the USB, it is necessary to explain how the Programme in Strategic Transformation of the USB works. Unless otherwise stated, information for this section was obtained from a paper delivered by Tromp (1996) at the 9th International AAHRM Conference in Kuwait City. The Full Range Leadership Model of Bass and Avolio is an important component of the *Strategic Transformation Programme* of the USB. The goal of the Full Range Leadership component of the *Strategic Transformation Programme* is to develop the optimal profile of leadership competencies in participants. The optimal profile should indicate a high MLQ score for transformational leadership behaviours and contingent reward behaviours, while it should indicate a low MLQ score for the management-by-exception dimensions. Laissez-faire behaviours should be completely absent from the

optimal leadership profile of the MLQ. Transactional as well as transformational behaviours should be modified during the programme. Thus there should be an increase in transformational behaviours, while transactional behaviours should decrease.

Figure 5.1 gives a schematic representation of the “Full Range Leadership Module” as presented by the USB. Firstly, the model is explained to the participants. Participants are then given feedback on their MLQ scores, which is followed by the development of a leadership plan. Lastly, the 4 I's are covered in depth by the instructor. Participants are encouraged to re-evaluate their leadership profiles after three months following the original measurement by the same five colleagues. The groups in this study did not complete the full programme. They either completed a course on Strategic Transformation or the Programme in Strategic Management. These two programmes are condensed versions (two to three days) of the programme as outlined in **figure 5.1** below.

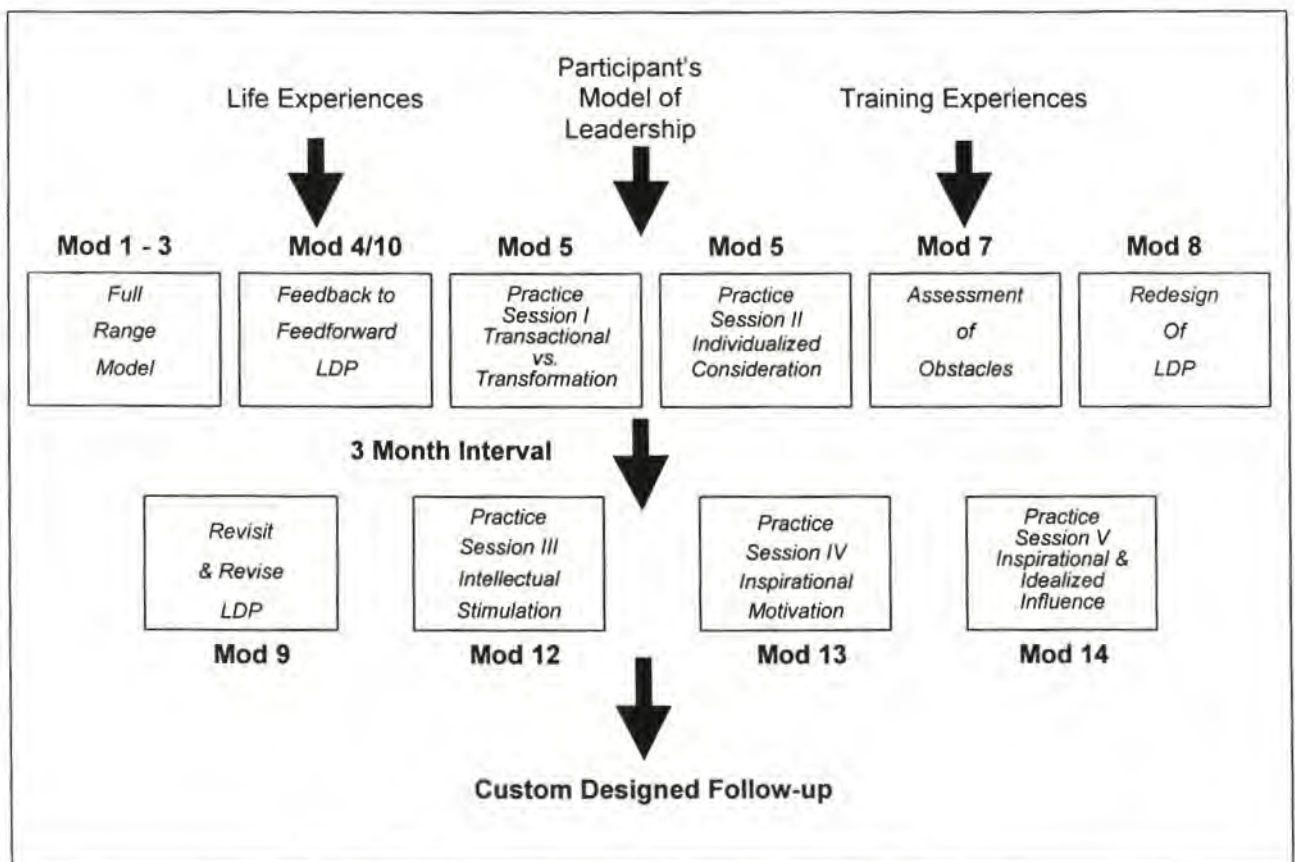


Figure 5.1 The “Full Range Leadership Module”
(Tromp, 1995, p. 10)

Two types of raters were used for the purposes of the course, namely self-raters and

objective raters. Self-raters evaluated their own leadership behaviour (as participants of the programme at the USB) while the objective raters were people who worked in close association with the leaders. Preferably, the objective raters had to be peers, subordinates or superiors, although this was not a prerequisite for participation in the *Full Range Leadership Programme*. It was not possible to use a peer, sub-ordinate and superior in all instances, since the majority of the respondents were on the highest possible level of the organization's hierarchical ladder. The leaders (self-raters) had to complete a MLQ evaluating their own behaviour. The measuring instruments utilised for the study is discussed now.

5.8 MEASURING INSTRUMENTS

Two types of measuring instruments were used for the study. A standardised questionnaire, the Multi-factor Leadership Questionnaire (MLQ) was used to test the participants on the behaviour level. For reaction level measurement, a self-developed questionnaire was used.

5.8.1 The Multi-Factor Leadership Questionnaire

It was decided to use the MLQ questionnaire in order to measure the leader's behaviour. The MLQ reflects a number of leadership behaviours. Respondents are expected to indicate the frequency of the leadership behaviour described. The measurement scale of the MLQ ranges from 0 (not at all) to 4 (frequently, if not always).

According to Bycio, Hackett and Allen (1995), the MLQ has been tested and rectified numerous times after its initial development by Bass (1985a). Currently the questionnaire consists of a variety of versions and forms. The "Full Range Leadership Model" has also been extended to team and organisational development. The Multi-factor Leadership Questionnaire (MLQT) has been constructed in order to assess the leadership quality exhibited by a team in the collective sense. The Organisational Description Questionnaire (QDQ) assesses the organisational culture by the type of values and behaviours shown by their members. For the purposes of the research, the latest version of the MLQ was used, namely the Form 5X, which is especially developed for evaluating training results.

The MLQ consists of two versions, namely a self-rater or leader version and a rater version. The MLQ (self-rater version) measures the leader's behaviour in a number of statements, which reflect transformational, transactional or laissez-faire behaviours. These behaviours, which consist of different dimensions, were discussed in detail in the previous chapter under the heading, "Full Range Leadership Model". Leaders are

required to judge the frequency of their behaviour as described by each statement. The rater and self-rater version of the questionnaire consist of the same statements although the context differs. Ideally 3 to 5 raters should be used, consisting of superiors, peers and subordinates. The rater as well as self-rater forms were used for the purposes of the research. The final mean scores were calculated as follows: the self-rater score accounted for 50 percent of the final mean score whilst the combined rater score accounted for the remaining 50 percent of the final mean score.

5.8.2 The Reliability and Validity of the Multi-Factor Leadership Questionnaire

Any good measuring instrument should possess reliability as well as validity (Leary, 1995). Kerlinger (1986) defines reliability as the "accuracy or precision of a measuring instrument". Leary (1995) refers to reliability as the "consistency or dependability of a measuring instrument". Reliability of a measurement technique can be assessed by the test-retest, internal consistency and alternative forms method (Dane, 1990).

According to Dane (1990) reliability is a necessary but not a sufficient condition for ensuring the quality of the measuring instrument. A measuring instrument should not only be reliable but also be valid (Dane, 1990). Sedlack and Stanley (1992) define validity as a "measuring instrument's ability to accurately measure what it claims to measure". Validity consists mainly of construct, content and concurrent validity.

Yammarino and Bass (1990) validated the content and concurrent validity of the MLQ. Furthermore, Bass and Avolio (1997) proved the construct validity of the MLQ. Bass and Avolio (1997) also state that the reliability of the MLQ has been proved on numerous occasions by means of test-retest, internal consistency methods and alternative methods. A short description of international studies testing the empirical validity of the MLQ will follow at this stage.

5.8.3 International Studies Testing the Empirical Validity of the MLQ

A large segment of this research investigation concerns itself with testing the construct validity of the MLQ in the South African context, as well as utilizing profile analysis in order to establish the discriminant validity of the MLQ. Therefore, this section focuses on the findings of international studies that have tested the empirical validity of the MLQ. The MLQ (Form 5R) has been criticised in the past for its lack of discriminant validity (Bass and Avolio, 1997).

Nunnally in Smit (1991, p.92) describes the use of discriminatory analysis as follows:

“Discriminatory analysis is employed when groups of persons are defined *a priori* and the purpose of the analysis is to distinguish the groups from one another on the basis of score profiles.”

As far as the researcher can ascertain, this is the first time that a study of this nature has been conducted in South Africa. This study is explorative in nature, since it is trying to break new ground by investigating the feasibility of transformational leadership in South Africa. Hopefully, the results of this study will open new avenues for researchers in this field.

In the light of the fact that it is the first time a study of this nature is conducted in South Africa, it is important to investigate the construct validity of the MLQ based on previous studies, in order to establish the validity of the research. The Multi-factor Leadership Questionnaire (Form 5R) has been the subject of investigation in numerous research studies during the last ten years. These research studies measured the various constructs of the MLQ, namely: transformational leadership, transactional leadership, and laissez-faire leadership (Bass and Avolio, 1997).

The *MLQ (Form 5X)* was developed in order to address some of the core criticisms of the *MLQ (Form 5R)* survey. In the development of the *MLQ (Form 5X)*, a nine-factor model of leadership was tested across nine samples. Confirmatory factor analysis was used instead of traditional explorative factor analysis for the purpose of developing the *MLQ (Form 5X)* (Bass and Avolio, 1997). Construct validity reflects the exactness with which a variable reflects an underlying theoretical philosophy (Dane, 1990).

Confirmatory factor analysis was often used in studies investigating the construct validity for the following two reasons:

- owing to the 10 years of empirical investigation of the *MLQ (5X)*
- this type of factor analysis provides a more comprehensive test of the underlying factors of a measuring instrument than traditional explanatory factor analysis.

With the development of the *MLQ (Form 5X)*, high correlations were found among the various transformational dimensions. The transformational construct dimensions also correlated positively with the contingent reward dimension. The management-by-exception dimension (both the active and passive forms) exhibited a low or negative relation towards the transformational leadership dimensions and the more positive transactional leadership style, contingent reward. The management-by-exception (active dimension) correlated positively with the management-by-exception (passive dimension) and the laissez-faire leadership construct. The *MLQ* is in the process of being continually refined.

A study by Bycio, Hackett and Allen (1995) investigated a five-factor structure of the

MLQ as proposed by Bass in 1985. This version of the MLQ consists of three dimensions of transformational leadership (idealised influence, intellectual stimulation, and individualised consideration) as well as two dimensions of transactional leadership (contingent reward and management-by-exception). A confirmatory analysis was done to gain support for the five-factor representation. Transformational factors had a high correlation with each other. Contingent reward was strongly related to the transformational dimensions. Only management-by-exception showed a negative relationship to other factors. Transformational leadership factors correlated strongly with follower performance and satisfaction (outcome variables).

A study by Yammarino and Dubinsky (1994) was aimed at increasing the understanding of transformational leadership theory using different levels of analysis to determine boundary conditions. Multiple levels (individual, dyad and group) of analysis were used in order to ascertain the identity conceptually, and to assess empirically the boundary limits on the theory of transformational leadership. The sample included 105 subjects. The researchers found that transformational leadership is a valid theory at an individual level, although the validity can be questioned at a dyad and group level.

Two further studies were done on the construct validity of the MLQ by Bass in 1985 and Hater and Bass in 1988 (in Bass and Avolio, 1990). The study by Bass conducted a factor analysis on the following dimensions of the MLQ: idealised influence, inspirational motivation, individualised consideration, intellectual stimulation, contingent reward, management-by-exception, and laissez-faire leadership. Bass and Hater used essentially the same factors in their 1988 study, except that an active and passive dimension for management-by-exception was used instead of a single factor.

In both studies laissez-faire leadership was found to be the most inactive form of leadership. In both studies all factors were found to be active forms of leadership, except management-by-exception (passive) and laissez-faire leadership.

In a recent study by Jung, Avolio and Bass (1998) 14 independent samples (3,786 respondents) were used in completing the latest version of the MLQ (Form 5X), each person describing his/her particular leader. Jung used 9 models that reflect distinct factor structures in order to determine which was the most suitable for the MLQ survey. The models were tested in an original set of nine samples, followed up by a second replication set consisting of five samples. According to results, the best structure for the MLQ was represented by six lower-order factors and three higher-order factors.

Confirmatory factor analysis was used for testing the psychometric properties of the MLQ. Intercorrelations among higher-order factors provided evidence of discriminant validity. Intercorrelations among factor scales were generally high. Contingent reward also showed a positive correlation with the transformational scales. Management-by-

exception (passive as well as active dimension) showed a low or negative relation to the transformational scales as well as the contingent reward dimension.

From aforementioned it can be inferred that studies have found a positive correlation between the various dimensions of the transformational leadership construct. The various dimensions of the transformational leadership construct also correlated positively with the contingent reward dimension. Studies indicated a low or negative correlation between transactional and transformational leadership. Studies have also indicated that the MLQ possesses the necessary construct validity, while the study by Jung (1998) indicated that the MLQ does possess a degree of discriminant validity. This study will utilise confirmatory factory analyses to test the validity of the MLQ. In order to get a clearer and more vivid picture of the nature of the research, the focus will now shift to a more general discussion.

5.8.4 Measurement on the Reaction Level

Erickson (1990) identified the following criteria, which is necessary for the development of questionnaire items:

- whether trainees have retained what they learned
- whether course objectives have been met
- whether the level of knowledge in trainees has increased
- the appropriateness of the material that was presented
- whether the trainees perceived the instructor as competent

The above-mentioned criteria were considered and applied during questionnaire construction. For the purposes of the reaction level, a 5-point Likert scale was used to test the participants' reactions to the *Full Range Leadership Programme* (see Appendix B).

Quantitative as well as qualitative data was used for analyzing the self-developed questionnaire (Form Q1). The question sheet was designed in such a way that actions could be tabulated and quantified. Participants were requested to use a scoring key, which indicated the degree to which they agreed or disagreed with a given statement. Participants were also requested to give a reason why they agreed or disagreed with a given statement on the Likert scale. Trainees wrote additional comments, which were not covered by the questions designed to be tabulated and quantified (Kirkpatrick, 1996). Kirkpatrick (1994) believes that trainees should be encouraged to write comments and suggestions. Quantitative measures are only part of the respondents' reactions. No reasons or suggestions are provided for improving the programme. Therefore it is important that trainers probe for additional comments by means of a questionnaire.

On the whole, Likert-type items were used, which gave respondents the freedom to

choose the degree to which they disagreed or agreed with a given statement. According to Mitchell and Jolley (1988), Likert-type questions elicit a wider range of information than nominal dichotomous questions. The neutral option gives participants the option of not answering a question that doesn't reflect their true position. Therefore, respondents were asked to "give a reason" for their answer to each of the Likert-scale questions. These types of questions are known as open-ended questions. Open-ended questions assess the knowledge of the respondent on each question (Mitchell and Jolley, 1988). According to Mitchell and Jolley (1988) there are two disadvantages to open-ended questions. First is the fact that they require more time and effort to record than other types of questions. Thus it requires more time and effort from the researcher as well as the respondent. Secondly, it is difficult to score open-ended questions. Answers can vary to such a degree that it is impossible to code them. Content analysis will enable conversion of the information from the open-ended questions into nominal or interval data as deemed appropriate.

The content (item pool) for the self-developed questionnaire was obtained from the coordinator of the *Full Range Leadership Programme* at the USB. From the item pool or collection of attitude statements, the attitude scale was built (Oppenheim, 1996). For the purposes of questionnaire development, simple, short and concise questions were utilised (Mitchell and Jolley, 1988). The questions that feature in the questionnaire were deemed relevant and appropriate by the course coordinator at the USB. Furthermore, the questionnaire was e-mailed to a small group of people who were representative of the sample group. These people were asked to give their opinion whether the questions were understandable or not. The questionnaire was also presented to a panel of experts who were familiar with the area of interest as well as the basic principles of question and survey design.

5.9 LEVELS OF EVALUATION

In order to provide the reader with a better understanding of the quantitative analysis of the study, an in-depth discussion of Kirkpatrick's four levels of evaluation will follow now. Bramley (1991) sees evaluation as a necessary part of training, by providing feedback on the following:

- the effectiveness of the training techniques used
- the attainment of goals by both the trainers and trainees
- the degree to which identified needs have been met on an individual as well as an organizational level.

According to Kirkpatrick (1971) there are four levels of evaluation criteria, namely the reaction, learning, behaviour, and result levels. The intended study will evaluate the leader on the reaction (self-developed questionnaire) and behavioural (MLQ data) levels.

5.9.1 The Reaction Level

The reaction level evaluates the thoughts of the subjects on the training matter (Goldstein, 1993). According to Alliger, Tannebaum, Bennet, Traver and Shotland (1997), measurement at the reaction level is the most common method of evaluation. Allinger et al. (1997) also state that "reactions" are assessed by determining the trainee's liking for a particular programme. Thus reactions can either be a product of the participant's opinion or his feeling towards the training (Alliger et al., 1997; Alliger and Janak, 1989).

Alliger et al. (1997) refer to a tripartite of reaction measures, namely reactions as affect, reactions as utility judgements, and combined reactions. Reactions as affect measure the participant's liking of the training. Reactions as utility judgements assess the degree to which the training influences the trainee's ability to perform the job. Combined reactions occur when affect and utility scores are reported as a combined score.

Measuring trainee reactions is a complex process (Phillips, 1991). Trainee reactions are influenced by a wide variety of factors such as training contents, method of training, training context, location, quality of instruction, and the trainee's perception of his own success in achieving training goals. A questionnaire, using rating scales, is the standard method of reaction level assessment (Patrick, 1992). This study intends to measure whether individuals perceive the *Full Range Leadership Programme* to be effective or not.

This approach has its limitations. Favourable reaction to the programme is not necessarily correlated with learning and performance (Goldstein, 1993; Phillips, 1991; Kirkpatrick, 1996). Despite the above mentioned fact, a leader in the field of leadership training, John Adair (1968), suggests that if a student shows a negative reaction towards a programme it is unlikely that much was gained from the course. Trainee reactions to training programmes do not enjoy a high priority among researchers. Decisions regarding changes in training programmes are mostly influenced by learning achievement and job performance, rather than trainee reactions (Patrick, 1992). However, it is important to know how people feel about programmes they have to attend. Decisions by top management are often made on the base of comments they receive from people who have attended the programme. Furthermore, people who enjoy their training are likely to achieve supreme benefit from it (Kirkpatrick, 1971)

5.9.2 The Learner Level

Learning is measured by determining facts, techniques and principles that have been acquired during the training phase (Goldstein, 1993). Alliger et al. (1997) refer to three

subcategories of learning, namely immediate post-training knowledge, knowledge retention, and skill demonstration. Immediate post-training assessment of learning is asking trainees to indicate in several ways how much they know about the training material. Examples of measures to test immediate post-training effects are multiple choice tests, open-ended questions, and the listing of facts. Knowledge retention involves the testing of retention at a later point in time after training. Skill demonstration refers to any behavioural changes that occur as the result of training. Skill demonstration is thus closely related to the behavioural level of evaluation.

The skills and knowledge for which the programme was developed are specified by the training objectives. Therefore it is important that the training objectives are very accurate and performance-orientated. The objectives should not only distinguish between different types of skills which the trainee should accomplish, but should also deliver proof that they have been met (Patrick, 1992). The learner level uses objective measures to establish whether learning takes place during the course. The data is also quantifiable (Goldstein, 1993; Kirkpatrick, 1971). In order for trainers to assess the amount of training that has taken place, a pre-test/post-test approach should be used. This approach makes it possible to determine whether learning was related to the programme. Whenever possible, a control group should be used to compare with the experimental group who were exposed to training (Kirkpatrick, 1971). It is important to discriminate between learning and performance. Learning cannot be measured directly, but can only be inferred from the measurement of performance (Patrick, 1992).

5.9.3 The Behavioural Level

The behavioural level refers to the measurement of job performance (Goldstein, 1993). Although there may be a favourable reaction to the training programme and a high degree of performance in the training situation, it does not automatically guarantee a high degree of performance in the transfer setting (Goldstein, 1993). It is the duty of the trainer to ensure that there is a close correspondence between the training situation and actual on-the-job performance in order to develop positive transfer. Little similarity between the training situation and actual job will lead to negative transfer (Schultz & Schultz, 1990). The objective of training is to maximize the transfer from the training situation to actual on-the-job performance (Patrick, 1992). Behavioural observation and role plays are the traditional methods used to determine the transfer from the training situation to actual on-the-job performance (Kraiger, Ford and Salas, 1993).

Kirkpatrick (1971) gives five guidelines which should be followed in order for trainers to determine behavioural changes after training. Firstly, systematic assessment of training should be made on a pre-test/post-test base. Secondly, ideally, evaluation of training should be made by the following people: the trainee, superiors, subordinates and peers

who are completely familiar with the trainee's level of performance. Thirdly, a statistical analysis should be made to compare the behavioural scores of the post-test with the results of the pre-test. Fourthly, post-training evaluation should be made at least three months after the initial training. It is of cardinal importance that employees are given ample opportunity to demonstrate what they have learned. Finally, a control group should be used to compare with the experimental group, which received the training.

Patrick (1992) has identified three practical problems which often arise when assessing the effect of training on job performance. Firstly, trainees don't work alone but in a team context, which requires interaction with co-workers. Obviously it would be extremely easy to assess one trainee on one task, which can be measured directly. Secondly, employees often engage in "job hopping". Thirdly, the trainee needs the opportunity to apply the skills which he has learned in the working environment.

5.9.4 The Result Level

The result level sets out to establish whether the training programme enables the organisation to reach its objectives (Goldstein, 1993). Training effectiveness can lead to improvement on organizational effects in the following areas: quantity and quality of production, safety, reduction of costs, improvement in working methods, and improved employee morale (Patrick, 1992; Kirkpatrick, 1971). Blake and Mouton (1980) state that high achievement involves high-production and high-people centred techniques of management.

Cameron in Bramley (1991) draws a distinction between four perspectives of organizational effectiveness, namely: goal-directed, resource-acquiring, constituencies, and internal process definitions. *Goal-directed definitions* refer to the output of the organization and to the degree to which the goals of the organization are met. *Resource-acquiring* definitions focus on the ability of the organization to obtain essential resources from the external environment. *Constituencies* are stakeholders in the organization. The effectiveness of the organization is measured by the degree to which the expectations of the constituencies are met. *Internal process* definitions refer to the flow of information, the lack of force and the level of trust in the organization as measures of effectiveness. All four of above-mentioned variables emphasise results.

Measurement on the result level is avoided because it is time-consuming and is often expensive (Mumford, 1986). However, it must be remembered that assessing people's opinions directly is not the same as assessing performance directly (Shelton and Alliger, 1993). This suggests that measurement on the result level is more objective than assessing the opinions of people on the previous three levels of evaluation. The result level seems to be a reliable, objective and excellent reflection of the leader's transformational skills.

5.9.5 Interrelationship Between Evaluation of Criteria

When comparing the four types of data, researchers found a slight relationship between reaction level measures and the other three criteria (Goldstein 1993). Thus, no clear relationship could be found between the reaction measures and the other three criteria. The mean correlation between learning and behaviour was .13; behaviour and results, .40; and between learning and results .19. From these findings it can be inferred that learning does not always lead to behavioural change. Neither does reaction necessarily lead to behavioural change; in some instances it only reflects the degree to which the participants enjoyed the course. Enjoying a course does not necessarily lead to learning. Reaction measures are self-estimates of how much participants think they have learned during the course. In this instance reaction level is theoretically closely related to the learning and behavioural criteria. It is also questionable whether learners have the ability to accurately assess their own performances. In cases in which trainees receive feedback on their performance, it is likely to increase the relationship between the reaction and other criterion measures. Currently, there is not enough data available to support this stance (Goldstein, 1993). Further research is needed in order to establish whether feedback on performance enhances the effectiveness of learners in a specific skill.

A discussion on how data was collected for this study is discussed in the next section.

5.10 TECHNIQUE OF DATA COLLECTION

Tull and Hawkins in Ristow (1998) refer to certain criteria for data collection. Each of these criteria was taken into consideration during the data collection process. The criteria for data collection as identified by Tull and Hawkins in Ristow (1998) are as follows:

- the complexity of data collected
- the required amount of data
- the desired accuracy of resultant data
- level of control
- time requirements
- acceptable level of non-response
- cost involved

Data collection was of an uncomplicated nature. General descriptive data was used for the purposes of the study. A standardised MLQ evaluation questionnaire as well as a relatively simple questionnaire (Form Q1) was used to obtain accurate data. Clearly structured questionnaires made the likelihood of ambiguity slim. A low level of control was needed for the gathering of data, since no interviewers were needed to help

respondents complete the necessary questionnaires. Instructions were also kept simple and clear in the covering letter. Time is of the essence when collecting data. Data for this study was collected over a period of five weeks. The level of non-response did not exceed sixty percent. As previously mentioned, costs for the reproduction and posting of questionnaires, were covered by the University of Stellenbosch.

5.11 STATISTICAL ANALYSES

The MLQ data of the complete South African sample was obtained from Productivity Development (Pty) Ltd. All data analysed regarding the MLQ was quantitative in nature. Qualitative data was used for collecting information regarding the self-developed questionnaire. The following array of statistical techniques was used: descriptive data, profile analysis, confirmatory analysis, and t-tests.

5.11.1 Analysis of Results

Firstly, the database of the total South African sample was punched into SAS (Statistical Analyzing System) in order to obtain descriptive statistics. The measure of central tendency is a widely used type of descriptive statistic. The mean for the necessary measurements of the transformational, transactional and laissez-faire scales was then determined, and is explained in the remainder of this section (Ristow, 1998). The following types of statistics were used: profile analysis for determining the discriminate validity of the MLQ in South Africa, t-tests and confirmatory factor analysis for determining the construct validity of the MLQ in South Africa.

5.11.2 Profile Analysis

According to Yaremko, Harari, Harrison and Lynn (1986), a profile is a set of test scores by an individual, or a set of mean scores for a group that reflects an individual's habitual behavioural patterns on certain dimensions that the measuring instrument measures. For the purposes of this study, mean scores of groups were compared.

Yaremko et al. (1986) define "profile analysis" as:

"A systematic comparison of individual personality trait patterns to a set of norms or standards. In multivariate statistics, the analysis of differences in the curve level and shape among vectors."

The total South African sample was compared to two ideal profiles of transformational leadership for the purposes of this study. D. Tromp, coordinator of the *Full Range*

Leadership Programme at the USB (personal communication, April 12, 1999) presented the first type of ideal profile according to Productivity (Pty) Ltd and Bass and Avolio. The suggested theoretical leadership profile is as follows: transformational leadership factors: 3.5; transactional contingent reward dimension: 2.5; management-by-exception transactional leadership factors: not more than one and laissez-faire leadership should be 0.

The researcher established the second ideal profile. The scores of leaders who scored above 3.5 on the outcome measures of the MLQ were isolated from the rest of the South African sample. Transformational, transactional and laissez-faire leadership scales of the scores of the leaders (who scored an average of above the 3.5 mark on the outcome measures) were used to establish the second ideal profile.

Transformational leadership competencies of leaders who were extremely effective in the world of work (outcome measures score of above 3.5) were then compared by means of profile analysis to a group that performed less well in the world of work (scored less than 3.5 on the outcome measures dimension). The researcher decided on a 3.5 cut-off point, based on the Ideal Transformational Leadership Profile, which determined 3.5 as the ideal score for transformational leaders. It was decided to use the profile analysis method of Cattell (in Smit, 1993). This approach is often used to determine whether a group or individual belongs to a certain category.

The greater the resemblance between two profiles, the more closely two scores will match each other and the smaller the difference between two profiles will be. Profile analysis is concerned with the categorisation of people into a certain category by means of statistical selection. Cattell (in Smit, 1993, p.90) states the following in this regard:

"This approach implies that there is an "optimum" level of each factor in each occupation, not an indefinitely continued improvement with every increase on the factor up to the highest score. The relation is thus assumed to be curvilinear."

The rationale for using profile analysis is to determine whether there is a need for transformational training and development in South Africa. The argument can then be made if the total sample scores lower than the ideal profiles on transformational leadership dimensions, a need then exist indeed.

5.11.3 The Use of T-tests for Comparing Averages of Various Groups

The averages of the various samples were compared by means of t-tests of hypotheses three to seventeen. The t-test was used because it is often used in research for comparing averages as well as because it is accurate. The hypotheses reflect that a

directional test is being used. A one-tailed t-test was used for testing hypotheses three to seventeen. The alpha level was set at .05. The 0.5 level is typically used in research. The 0.5 significance level indicates that the incident under investigation is so unusual that it would have taken place less than 5 percent of the time. The H_0 instead of the H_a was tested because if you can prove that something is false, the opposite would be true. If you can prove that H_0 should be rejected, the only alternative is to accept H_a (Christen and Stoup, 1991).

5.11.4 Factor Analysis

As is generally known, factor analysis is a multivariate statistical technique that is used to study the interrelationships of behavioural data. Factor analysis describes the relationships of variables in a factor matrix by reducing them to a smaller number of conceptually meaningful integrated variables called factors. A factor is a scale or dimension that reflects the responses of respondents with regard to a measuring instrument or questionnaire (Yaremko et al., 1986).

At this stage it is useful to draw a distinction between confirmatory and explorative factor analysis. Confirmatory factor analysis assesses the extent to which there is consistency between the data and a hypothesised factor structure. On the other hand, explorative factor analysis is concerned with the most close-fisted explanation of the communal variance underlying the primary data (Dobson, 1993). This study utilised confirmatory factor analysis for testing the construct validity of the MLQ. The reason being that it is supported by 10 years of empirical data and it is a more comprehensive measure of the underlying factor structure than traditional explorative factor analysis.

Descriptive data was used in order to determine whether the reaction of participants to the programme was favourable. The question sheet of the self-developed questionnaire was designed in such a way that actions could be tabulated and quantified. Content analysis enables researchers to convert the information from the open-ended questions into nominal or interval data as deemed appropriate.

5.12 SUMMARY

This chapter covered the methodology of the research project. This chapter also describes the methods used in the study to investigate the various hypotheses and their interpretation. Furthermore the population, the sample and sampling approach, the two research instruments, and Kirkpatrick's levels of evaluation were discussed, keeping in mind their practical usefulness. A description of the appropriate statistical techniques used in the study was also covered.

While the chapter 1 concerned itself with setting the objectives, this chapter discussed the method by which the research project intended achieving the set objectives. This chapter will continue by presenting the results, which will investigate the feasibility of training transformational leaders in South Africa.

CHAPTER 6

RESULTS OF THE RESEARCH INVESTIGATION

6.1 INTRODUCTION

As chapter 5 is concerned with the general methodology of the study, this chapter is concerned with the presentation of results to the reader. The data that was obtained from the MLQ data base of Productivity Development (Pty.) Ltd. and other research investigations, was statistically analysed by various techniques as discussed in Chapter 5, pp. 101-103. Psychometric results that were made available are utilised in this section to address the main research problem.

The material of this chapter will be discussed under the following sub-headings: transformational leadership skills in South African managers, the validity of the MLQ for measuring transformational leadership skills in South Africa, and the USB as a microcosm of transformational leadership skills in South Africa.

6.2 TRANSFORMATIONAL LEADERSHIP SKILLS IN SOUTH AFRICAN MANAGERS

The need for developing transformational skills in South African managers was determined by means of two methods, Cattell's method of profile analysis, and the one-tailed t-test for independent samples.

Transformational leadership skills in South African managers was assessed as follows:

- The MLQ profile of the total South African sample was compared to an Ideal Theoretical Leadership Profile by means of profile analysis.
- The MLQ profiles of the leaders who scored well on the outcome measures construct (effectiveness profile) were compared to the rest of the South African sample by means of profile analysis.
- The total South African sample (excluding the USB group) was compared an international sample by means of a t-test. The t-value was obtained by a one-tailed t-test for independent samples.

6.2.1 Profile Analyses of Ideal Profiles

As has been previously stated, two ideal profiles of leadership have been identified, and compared to the total South African sample. Refer to chapter 5, pp. 101-102 for further information. The first ideal profile was based on the ideal theoretical profile according to Productivity Development (Pty.) Ltd as well as Bass and Avolio as was presented by D. Tromp (personal communication, April 12, 1999). The researcher identified the second ideal profile. Leaders of the total South African sample, who scored well on the outcome measures construct, were isolated from the rest of the sample. The profiles of leaders who were effective in practice were then compared to the rest of the South African sample. Therefore it can be referred to as the effectiveness profile.

The main reason profile analysis was used instead of t-tests or ANOVA is the fact that profile analysis is commonly used when comparing the relationship between multiple variables. T-tests and the ANOVA are used when testing the relationship between singular variables (Tabachnick & Fidell, 1989).

Profiles are numerically and graphically presented for the purpose of profile analysis (Gregson, 1975). It is essential that profile analysis is correctly implemented in order to accurately reflect the behavioural psychometric properties of an individual or group (Smit, 1993). The analysis of profiles is an extremely complex process that is concerned with the similarity between two profiles. Cattell (1969) refers to three aspects that indicate similarity between profiles, namely shape, level and accentuation. According to Gregson (1975), psychometrics of similarity is concerned with the resemblance between two sets of responses. This research project investigated the viability of two ideal profiles of transformational leadership in the South African context.

A table that was developed by Horn (1961) in order to determine profile resemblance was utilised for the purposes of this study (see **Table 6.1** on the next page). P is the probability of exceeding an absolute value of r_p corresponding to K degrees of freedom. The similarity coefficient ranges from -1 to $+1$. A value of -1 indicates that two profiles are as mutually remote as possible, while a value of $+1$ indicates that two profiles are one hundred percent similar. In this study K is equal to the value 8 (8 variables consisting of the four transformational dimensions, the three transactional dimensions, and the laissez-faire dimension). The value of the k_1 (median x_2) would be 7.344. In other words E would be 4 (the middle number in the range from zero to 7.344).

In order to find the similarity between two profiles, the following formula is used:

$$r_p = \frac{EK_1 - \sum d_2}{Ek + \sum d_2}$$

Table 6.1 Values of the Similarity Coefficient r_p

Positive r_p					Negative r_p				
k	$P=.01$.02	.05	.10	.01	.02	.05	.10	X^2
2	.971	.943	.862	.736	-.738	-.699	-.624	-.537	1.386
3	.907	.855	.741	.604	-.655	-.612	-.535	-.451	2.366
4	.837	.773	.650	.519	-.596	-.553	-.477	-.397	3.357
5	.774	.705	.583	.460	-.552	-.509	-.436	-.360	4.351
6	.720	.650	.532	.416	-.517	-.475	-.404	-.331	5.348
7	.673	.605	.491	.383	-.489	-.447	-.378	-.309	6.346
8	.634	.567	.458	.356	-.465	-.424	-.357	-.291	7.344
9	.600	.534	.430	.334	-.444	-.405	-.340	-.275	8.343
10	.570	.507	.407	.315	-.426	-.387	-.324	-.262	9.342

The reader should note that r_p indicates the mutual resemblance between two profiles. E_k is the expected sum total of squares divided by the number of variables. K_1 is the median x^2 value of k -degrees of freedom, in other words the number of variables present in the measuring instrument. $\sum d^2$ is the true sum of squares of the differences between two profiles including k -elements (Smit, 1993). The results of the profile analysis using the method outlined on the previous page are reflected in **table 6.2**.

Table 6.2 The Profile Resemblance (r_p) Between the Ideal Theoretical Leadership Profile and the Total South African Sample

Dimensions of the MLQ	II	IM	IS	IC	CR	MA	MP	LZ
Ideal Theoretical Profile	3.50	3.50	3.50	3.50	2.50	1.00	1.00	0
Averages - Total South African Sample (N=7563)	2.87	2.90	2.85	2.88	2.90	2.36	1.07	0.72
d	0.63	0.60	0.65	0.62	0.40	1.36	0.07	0.72
d²	0.39	0.36	0.42	0.38	0.16	1.84	0.004	0.51

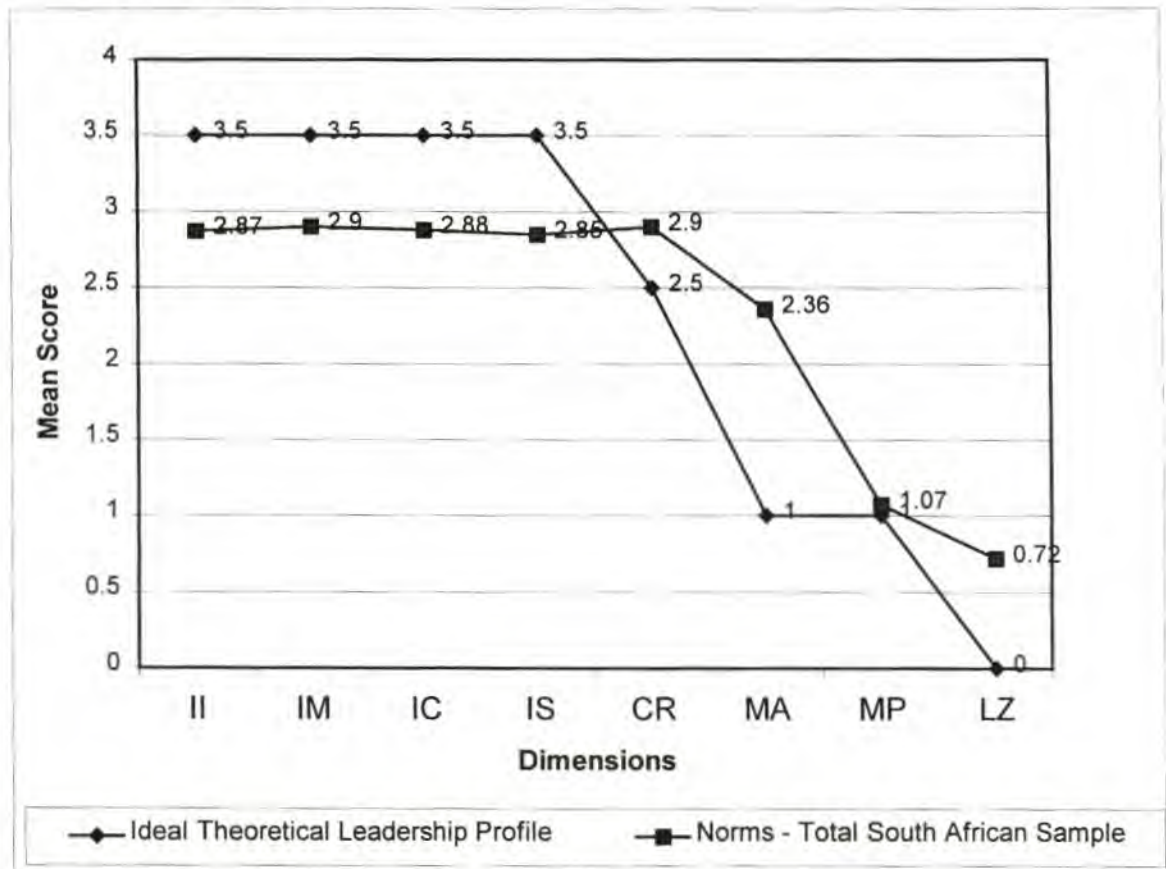
$$\sum d^2 = 4.09 \quad E=4k_1 \quad k_1=7.344$$

** See Appendix C for key to Table 6.2

According to **table 6.1** the significance of r_p shows a significant resemblance between the two profiles. A value of 0.75 was calculated for r_p using the data on **table 6.2**. Using Cattel's (1969) formula, an r_p of 0.75 was calculated. From **table 6.1** the degrees of freedom=8. The 5 percent level is determined at 0.458, while the 1 percent level is set at .634. From **table 6.1** it can be deduced that $0.75 > 0.634$. Thus there is a significant resemblance between the total South African sample and the ideal theoretical leadership ($r_p=0.75$; $p < .01$). Since $p < .01$ H_a is true, therefore H_o is rejected. Thus

alternative hypothesis 1 is accepted. In the light of these results, there seems to be a significant resemblance between the two profiles.

Graph 6.1 Comparing the Ideal Theoretical Leadership Profile to the Total South African Sample



** See Appendix C for key to Graph 6.1.

Although there is a significant resemblance between the two profiles, the South African sample scores higher on the management-by-exception passive and laissez-faire dimensions. A definite resemblance is present. Although the ideal theoretical profile averages are higher on all the transformational leadership dimensions, a definite linear pattern is evident (see **Graph 6.1**). Refer to Appendix C for the key to **graph 6.1**. According to Cattell's (1969) criteria for indicating similarity between profiles (shape, level and accentuation) interesting deductions can be made. The contingent reward dimension and the management-by-exception active dimension do not seem to follow a linear pattern (see **graph 6.1** and **table 6.2**). The South African sample scores seem to be higher graphically on these dimensions. However, if *rp* is considered, the deviation of these two dimensions between the two profiles does not seem excessive.

Although a resemblance between the two profiles was found, there is a definite difference if averages are compared. Averages can be compared by means of inspection. The total South African sample scored lower averages on all four of the transformational scales, higher on the contingent reward scales, higher on the both the management-by-exception scales and higher on the laissez-faire scale. According to the optimal profile of transformational leadership as discussed earlier, transformational leadership behaviours should be extremely frequent, transactional behaviours more infrequent than transformational and laissez-faire behaviours should be totally absent. Due to higher scores than the ideal theoretical profile by the sample group on the contingent reward, management-by-exception scales and laissez-faire scales the assumption can be made that training was necessary for this group.

For the Ideal Leadership Effectiveness Profile, deductions were once again made from **table 6.1**. The reader should note that *rp* was calculated in a similar manner to the first profile analysis from the data presented in **table 6.3**. According to **table 6.1** the significance of *rp* shows a significant resemblance between the two profiles. A value of 0.89 was calculated for *rp* using the data on **table 6.3**. Once again the 5 percent level is determined at 0.458; while the 1 percent level is set at 0.634. From **table 6.1** it can be deduced that $0.89 > 0.634$.

Table 6.3 The Profile Resemblance Between the Ideal Effectiveness Leadership Profile and the Rest of the South African Sample

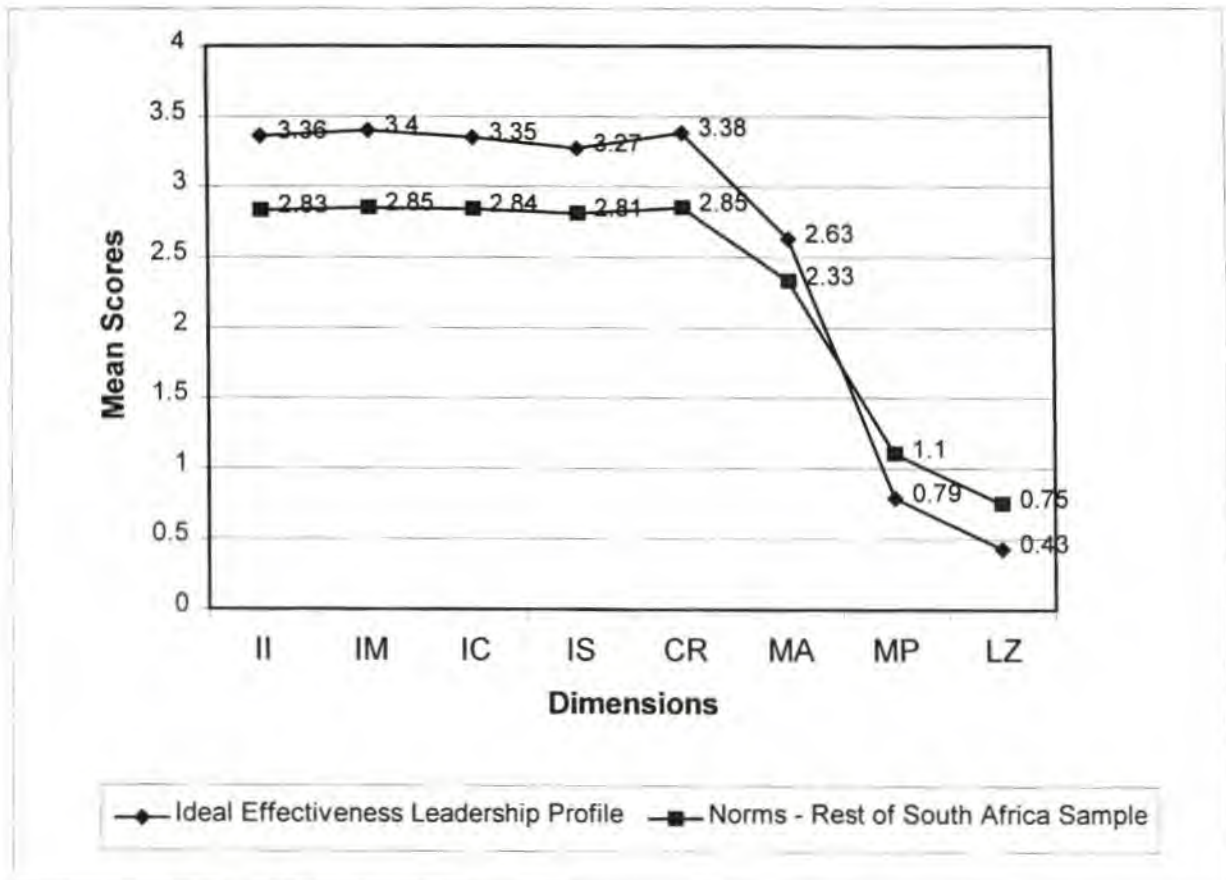
Dimensions of the MLQ	II	IM	IS	IC	CR	MA	MP	LZ
Averages - Ideal Effectiveness Leadership Profile (N=657)	3.36	3.40	3.27	3.35	3.38	2.63	0.79	0.43
Averages - Rest of South Africa Sample (N=6906)	2.83	2.85	2.81	2.84	2.85	2.33	1.10	0.75
d	0.53	0.55	0.46	0.51	0.53	0.30	0.31	0.32
d2	0.28	0.30	0.21	0.26	0.28	0.09	0.09	0.10

$$\sum d^2 = 1.62 \quad E=4k1 \quad k1=7.344$$

** Refer to Appendix C for key to Table 6.3

There is a remarkably strong resemblance between the rest of the South African sample and the selected group that average more than 3.5 on the outcome measures ($rp=0.89$; $p < .01$). Since $p < 0.1$, H_0 is false and H_0 is rejected. Therefore alternative hypothesis 2 is accepted. In the light of these results, there seems to be a significant resemblance between the two profiles.

Graph 6.2 Comparing the Ideal Effectiveness Leadership Profile to the Rest of the South African Sample



** See Appendix C for key to Graph 6.2.

Using Cattell's (1969) criteria once again for indicating similarity between profiles (shape, level and accentuation) interesting inferences can be made. The shape indicates that an almost perfect resemblance is present (see graph 6.2). Although the second ideal profile averages are higher on all the transformational leadership dimensions than the rest of South Africa sample, a definite linear pattern between the two samples on the transformational dimensions is evident. It is interesting to note that the second ideal profile indicates that the leaders who were effective in the actual place of work, scored higher not only on the transformational scales, but also on the contingent reward and management-by-exception active scale. However, the rest of South Africa sample scored higher on the management-by-exception passive and laissez-faire scale.

Although a resemblance between the two profiles was found, there is a definite difference if averages are compared by means of inspection. The rest of the South African sample scored lower averages on all four of the transformational scales, lower on the contingent reward scales, lower on the management-by-exception active scale,

higher on the management-by-exception passive scale and higher on the laissez-faire scale than the ideal effectiveness profile.

Both South African samples performed below the acceptable standard, compared to both the Ideal Theoretical Leadership Profile and the Ideal Effectiveness Leadership Profile. Aforementioned indicates that there is a need for training transformational leaders in South Africa. The results also indicate that transactional and laissez-faire leadership orientations of South African managers should be modified during training.

At this stage transformational leadership development does seem a feasible route for leadership training in South Africa to follow. South African leaders will now be compared to an international sample of managers. This will determine if South African leaders measure up to international standards on transformational skills.

6.2.2 Comparing South African Leaders to an International Sample

Table 6.4 (p. 112) and **graph 6.3** (p. 113) firstly reflect the average scores of the total South African sample on each of five transformational leadership dimensions. Secondly, the standard deviation from the mean of each dimension is given in **table 6.4**. The same statistics apply to the international sample. In order to address the first two hypotheses, the technique of profile analysis was used. However, the researcher decided to address the rest of the hypotheses by means of t-tests. Profile analysis is limited in its application. Choice of dependent variables is more limited in profile analysis than multivariate statistics because dependent variables must commensurate. Results from profile analysis generalise only to the sample from which cases are randomly sampled. The reason that the first two hypotheses were not analysed by t-tests is that no standard deviations were available for the first of the two ideal profiles of leadership. T-tests are also a more sound statistical technique than profile analysis when comparing averages (Tabachnick & Fidell, 1989).

The following deductions can be made from **table 6.4**. South African managers scored higher averages than their international counterparts on all of the transformational leadership dimensions (refer to **graph 6.3**). On all these values the t-value indicates that there is a statistically significant difference between the South African and the international sample on all dimensions on the 0.05 level of significance. Refer to Appendix C in order to obtain the key for **table 6.4** and **graph 6.3**.

Table 6.4 Comparing MLQ Scores of the Total South African Sample to the Scores of an International Sample

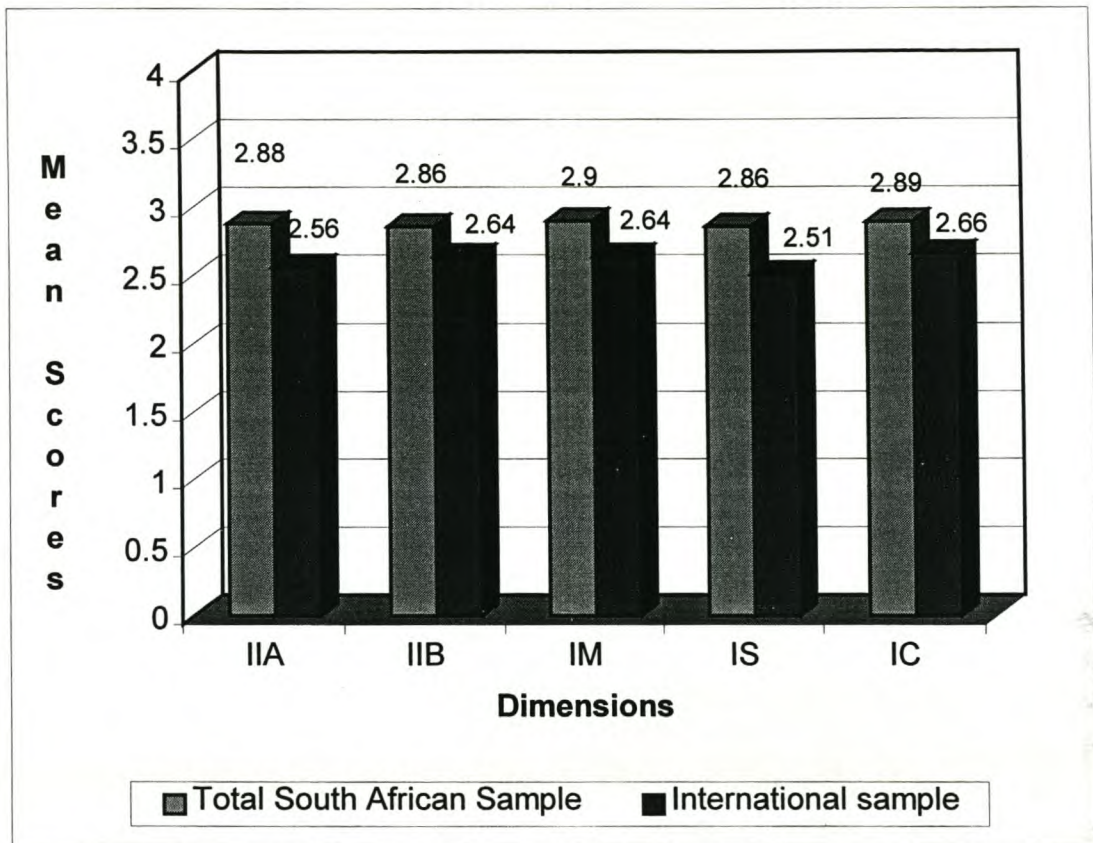
Dimensions	IIA	IIB	IM	IS	IC
Total South African Sample (N=7443)	2.88	2.86	2.9	2.86	2.89
S.D.	0.44	0.42	0.45	0.4	0.43
International sample (N=2080)	2.56	2.64	2.64	2.51	2.66
S.D.	0.84	0.85	0.87	0.86	0.93
T-Value	34.6	16.42	18.57	26.54	16.4

- ** The Graduate School of Business group was not included in the total South African sample for practical reasons.
- ** The degree of freedom was calculated as 9521.
- ** Refer to Appendix C for key to table 6.4.

It was found that South African managers scored higher averages on the idealised influence attributed, the idealised influence behaviour dimension, the inspirational motivation dimension, intellectual stimulation and the individualised consideration dimension than their international counterparts (see graph 6.3 on the next page). South African managers scored statistically significantly higher averages than the international sample on the idealised influence attributed scale [$t(9521)=34.6$; $p<0.05$], the idealised influence behaviour scale [$t(9521)=16.42$; $p<0.05$], the inspirational motivational scale [$t(9521)=18.57$; $p<0.05$], the intellectual stimulation [$t(9521)=26.54$; $p<0.05$] and the individual consideration dimension [$t(9521)=16.4$; $p<0.05$]. Owing to the significant differences on each of these five dimensions, the alternative hypotheses were accepted for hypotheses three, four, five, six and seven. Differences in the averages indicate that South African leaders scored higher on each of the five dimensions of transformational leadership tested. The aforementioned hypotheses are thus confirmed.

The results indicate that South African managers tend to engage more in transformational leadership behaviours than the specific international sample. However, in order to manage behaviour, it must be measurable. The focus will now shift to the construct validity of the MLQ in South Africa.

Graph 6.3 Comparing Mean Scores of the Total South African Sample to an International Sample



** See Appendix C for key to Graph 6.3.

6.3 THE CONSTRUCT VALIDITY OF THE MLQ IN SOUTH AFRICA

The second problem this study is concerned with the construct validity of the MLQ (Form 5X). Confirmatory factor analysis is utilised in order to address the second problem of this study.

The starting point of factor analysis is the design of a correlation matrix. Secondly, the factorability of the unreduced correlation matrix should be assessed. Thirdly, factor analysis determines the number of factors or dimensions that should be analysed. Factors classify items into similar clusters or dimensions. Fourthly, the best method to rotate a simple structure should be identified and then implemented. Lastly, the end results or first orders analysis should be presented in the format of a factor matrix (Duvenage, 1998; Dobson, 1993).

At this stage it would be useful to draw a distinction between exploratory and

confirmatory factor analysis. Exploratory factor analyses is used during the early stages of research. Furthermore, exploratory factor analyses generates hypotheses regarding underlying processes and is a tool for consolidating variables. On the other hand, confirmatory analysis is used during the advanced stages of research and tests the latent processes underlying an existing hypothesised theory or factor structure. The purpose of confirmatory factor analysis is to explain the observed inter-item correlation matrix in regards to the underlying processes creating the correlations (Tabachnick & Fidell, 1989; Spangenberg & Theron, 1997).

In the light of the previous paragraph the following steps are utilised for the purposes of this investigation:

- Step 1 – Assess the factorability of the unreduced correlation matrix.
- Step 2 – Decide on the number of factors to extract.
- Step 3 – Identify the best method to rotate the structure.
- Step 4 – Implement the final first-order factor analysis.

6.3.1 Step 1: Assess the Factorability of the Unreduced Correlation Matrix

Tinsley and Tinsley (1987) refer to the following five criteria which need to be considered before commencing with factor analysis:

- An evaluation of the data matrix
- The sample size
- The measure of association
- The independence of measures
- The significance of measures

The composition of the data matrix should be of such a nature that each of the factor variables that are analysed is administered to each and every subject who is included in the sample. The MLQ was thoroughly administered to all raters as well as self-raters for the purposes of this study. The reference structure (semi-partial correlations) is evaluated by means of inspection. A significant amount of correlations are significant which suggests that the data is appropriate for the purposes of factor analysis. The larger the sample the better it is for the purposes of correlation. Correlations between variables tend to fluctuate excessively in small samples therefore larger samples are preferable. A large sample was used for this research study, namely 7563 cases. According to Comrey (1988) a sample size of a thousand subjects is excellent for the purposes of factor analysis. It is important that the measures of the variables are independent. Independent measures prevent any lower correlations that could possibly relate them as appearing to exist on the corresponding factor. In this study the transformational leadership construct and contingent reward factors seem dependent on each other. The overall measure of sampling adequacy according to Kaiser's criterion is

measured at 0.95. This further supports the fact that the data matrix is suitable for factor analysis. After concluding that the correlation matrix is factorable, it was decided to identify the number of factors to extract.

6.3.2 Step 2: Identify the Number of Factors to Extract

R is displayed by coefficient alpha. All the transformational, transactional and laissez-faire dimensions are determinant to R. The purpose of step 2 is to identify the number of factors to extract from R (the correlation matrix). One of the most commonly used techniques for factor extraction during exploratory factor analysis is the Scree test for Eigen values. The scree plot indicates that between three and four factors would have been extracted if explorative analysis had been used. Extracting three or four factors however would have been in conflict with Bass' hypothesised factor structure of the MLQ.

The MLQ has been tested by means of factor analyses during the course of numerous scientific investigations. Bass (1985a) provides a tried and tested theory that reflects an existing postulated factor structure of transformational leadership. These eight factors are idealised influence, inspirational motivation, intellectual stimulation, individual consideration, contingent reward, management-by-exception (active), management-by-exception (passive) and laissez-faire. Therefore eight factors were extracted for the purposes of confirmatory factor analyses. Each of these dimensions or factors consists out of 4 items with the exception of the idealised influence dimension. The idealised influence dimension consists out of eight items. The reason for this is that the idealised influence dimension is sub-divided into the idealised attributed and idealised influence behaviour dimensions according to the MLQ-key. The idealised influence attributed as well as idealised influence behaviour dimensions consists out of four items each. In order to process the data effectively only the first 36 items were utilised since these items focus on leadership. Items 37-45 focus on outcome measures rather than leadership.

6.3.3 Step 3: Identifying the Best Method to Rotate to Simple Structure

The aim of rotation is to enhance the scientific utility and interpretability of extracted factors (Spangenberg & Theron, 1997). In the statistical sense rotation increases high loadings and decreases low ones. There are two basic methods of rotation, namely orthogonal and oblique rotations. Oblique rotations are utilised when factors on the data matrix do correlate, while orthogonal rotations are implemented when factors are uncorrelated (Tabachnick & Fidell, 1989).

Theoretically it can be argued that transformational leadership factors are dependent on each other. Likewise transactional leadership factors are theoretically dependent on each other.

Table 6.5 Inter-Factor Correlations

	Factor 1 II	Factor 2 IM	Factor 3 IS	Factor 4 IC	Factor 5 CR	Factor 6 MA	Factor 7 MP	Factor 8 LZ
Factor 1	1.00							
Factor 2	0.39	1.00						
Factor 3	0.57	0.64	1.00					
Factor 4	0.04	0.53	0.15	1.00				
Factor 5	0.43	0.27	0.46	-0.36	1.00			
Factor 6	0.18	0.06	0.17	0.1	0.27	1.00		
Factor 7	-0.3	-0.11	-0.18	0.3	-0.84	-0.16	1.00	
Factor 8	0.04	-0.31	0.17	-0.57	0.58	0.03	-0.63	1.00

** Refer to Appendix C for key to **table 6.5**
 $p < 0,05$

An inter-factor correlation was conducted in order to determine whether factors are dependent on each other. From **table 6.5** it can be inferred that a number of factors are in fact dependent on each other ($p < 0,05$) in which case it was considered advisable to utilise the oblique method of rotation. Taking into account theoretical considerations, principal factor analysis that is utilised in combination with oblique, Procrustes rotation was subsequently performed through SAS's PROC FACTOR. The eight extracted factors were obliquely rotated to a target matrix of loadings. This target matrix of loadings consists out of zeros and ones. After the oblique method of rotation was utilised, it was decided to present the results of the final first-order analysis.

6.3.4 Step 4: Final First-Order Analysis

The final first-order analysis gives a summary of all the final data which must be reported on. The final analysis consists of semi-partial correlations (**Table 6.6**). For the purposes of this research investigation, correlations higher than 0.25 are considered significantly high loading on a factor.

Table 6.6 Reference Structure – Semi-Partial Correlations

Items	Factor 1	Factor 2	Factor 3	Factor 4	Factor 5	Factor 6	Factor 7	Factor 8
1	0.18	-0.09	0.05	0.17	0.11	0.04	0.06	0.03
2	0.15	-0.07	0.31	0.06	-0.004	0.04	-0.002	-0.08
3	-0.04	-0.02	0.01	0.05	0.09	-0.05	0.44	0.3
4	0.07	-0.06	0.04	-0.1	0.04	0.54	0.04	-0.11
5	-0.007	-0.06	-0.05	0.09	0.03	0.02	0.31	0.45
6	0.33	0.08	-0.02	0.01	0.10	-0.01	0.15	0.01
7	-0.07	0.08	0.06	-0.11	-0.04	0.007	0.3	0.33
8	0.12	0.006	0.35	0.10	-0.12	-0.03	-0.06	0.04
9	0.30	0.44	-0.03	-0.18	-0.14	-0.07	-0.06	0.1
10	0.45	0.05	-0.04	0.17	0.03	-0.05	-0.03	0.03
11	0.14	-0.02	0.03	0.07	0.27	0.02	0.11	-0.21
12	-0.02	0.0001	0.02	-0.01	0.005	-0.03	0.45	0.41
13	0.18	0.27	0.007	-0.07	0.11	-0.02	0.03	-0.12
14	0.23	0.14	0.02	0.02	0.19	-0.04	0.07	-0.09
15	0.17	-0.13	0.07	0.24	0.21	-0.03	0.02	0.001
16	0.17	0.01	-0.09	0.19	0.31	-0.002	0.1	-0.03
17	0.08	-0.05	-0.1	0.14	0.14	0.07	0.29	0.18
18	0.25	0.03	0.03	0.22	0.07	0.03	-0.002	-0.01
19	0.22	-0.1	-0.0001	0.34	0.08	-0.03	0.12	-0.08
20	0.008	0.005	-0.06	0.01	0.05	-0.003	0.39	0.44
21	0.33	0.05	-0.03	0.25	0.02	0.01	-0.15	-0.01
22	0.06	-0.0034	-0.06	0.02	0.01	0.65	-0.02	0.03
23	0.2	0.02	0.11	0.22	0.007	0.08	0.02	-0.01
24	0.02	0.02	-0.01	-0.08	-0.02	0.6	-0.05	0.07
25	0.19	0.15	0.02	-0.04	0.07	0.13	-0.05	-0.07
26	0.25	0.4	0.04	-0.17	-0.08	0.02	-0.05	0.15
27	0.009	0.01	0.05	-0.04	0.009	0.55	0.01	0.13
28	-0.002	-0.007	-0.0001	0.04	-0.11	0.03	0.21	0.47
29	0.15	-0.02	0.07	0.36	0.07	-0.04	0.09	-0.007
30	-0.04	-0.005	0.41	0.2	-0.03	0.02	-0.08	0.13
31	0.03	-0.002	0.14	0.32	0.17	-0.07	-0.06	0.09
32	-0.02	0.02	0.3	0.15	0.06	-0.004	-0.07	0.05
33	-0.06	0.04	0.06	-0.02	-0.07	0.03	0.28	0.46
34	0.12	0.23	0.07	0.007	0.1	0.03	0.03	-0.02
35	0.02	0.13	-0.07	0.31	0.23	-0.02	0.09	-0.07
36	0.04	0.31	-0.07	0.08	0.13	0.03	-0.02	-0.04

** Loadings in excess of 0.25 were considered significant and are indicated in bold.

** See Appendix C for key to table 6.6

As can be seen from the reported information in **table 6.6**, the rotated pattern matrix

reflecting semi-partial correlations reflects mixed results as a possible confirmation regarding Bass' postulated theoretical structure of 8 leadership dimensions. At this stage it is important to take into consideration the complexity of the variables. According to Tabachnick and Fidell (1989) a pure variable is only correlated with one factor, whilst a complex variable is correlated with several factors.

By means of inspection of **table 6.6** the following inferences can be made: Twenty-one items seem to be pure, namely items: 2, 4, 6, 8, 10, 11, 13, 16, 17, 18, 19, 22, 24, 27, 28, 29, 30, 31, 32, 35 and 36. Six items indicate insignificant loadings, namely items: 1, 14, 15, 23, 25 and 34. Nine items indicate significant loadings on the targeted factor; however, these nine items also reflect significant loadings on other factors. These are items 3, 5, 7, 9, 12, 20, 21, 26 and 33. The aforementioned items can thus be described as complex items (Tabachnick and Fidell, 1989).

In table 6.7 the items are classified in terms of the dimensions they define according to the MLQ-key. Table 6.6 and 6.7 should be used in combination with each other.

Table 6.7 Comparison of Target Items and Empirically Determined Items per Factor

Dimensions	Factor	Target Items	Empirically Determined Items			
			Confirmed Items	Complex Items	Insignificant Items	Incorrect Factor Loading
II	1	6, 10, 14, 18, 21, 23, 25, 34	6, 10, 18	9, 21, 26	14, 23, 25, 34	None
IM	2	9, 13, 26, 36.	13, 36	9, 26	None	None
IS	3	2, 8, 30, 32.	2, 8, 30, 32	None	None	None
IC	4	15, 19, 29, 31.	19, 29, 31	21	15	None
CR	5	1, 11, 16, 35.	11, 16,	None	1	35
MA	6	4, 22, 24, 27.	4, 22, 24, 27	None	None	None
MP	7	3, 12, 17, 20.	17	3, 5, 7, 12, 20, 33	None	None
LZ	8	5, 7, 28, 33.	28	3, 5, 7, 12, 20, 33	None	None

** See Appendix C for key to table 6.7

Two factors seem to be extremely well-defined: factor 3 (IS) and factor 6 (MA). These factors have a simple factor structure that can easily be interpreted. However, inferences regarding other factors can be made as follows:

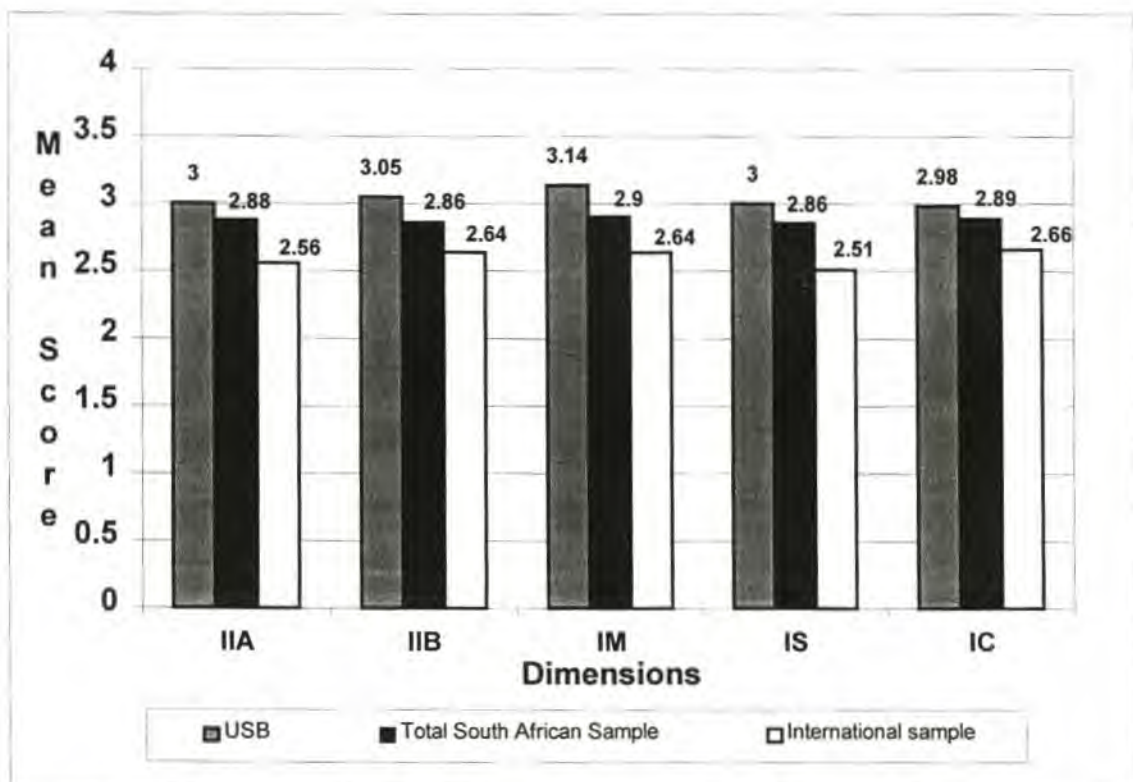
- Factor 1(II) seems poorly defined. Three targeted items out of a possible eight items produced significant loadings on the specified factor as postulated. However, three further items which produced significant loadings on this factor also produced significant loadings on other factors (factor 2 and factor 4). Four items seem insignificant.
- Factor 2 (IM) can be interpreted in the same manner as factor 1. Two targeted items out of a possible four items produced significant loadings on the specified factor as postulated. However, two further items which produced significant loadings on this factor also produced significant loadings on another factor (factor 1).
- According to factor 4 (IC), three targeted items out of a possible four items produced significant loading on the specified factor as postulated. However, one item which produced a significant loading on this factor also produced a significant loading on another factor (factor 1). One item seems insignificant.
- Factor 5 (CR) produced 2 significant loadings on the specified factor as postulated. Item 35 loads incorrectly on factor 4. One item seems insignificant.
- According to factor 7 (MP), one target item out of a possible four items produced significant loadings on the specified factor as postulated. However, six further items which produced significant loadings on this factor also produced significant loadings on another factor (factor 8).
- Factor 8 (LZ), like factor 7 indicates one targeted item with a significant loading on the specified factor as postulated. However, six further items which produced significant loadings on this factor also produced significant loadings on another factor (factor 7).

To summarise, factors 3 and 6 seem extremely well-defined. Factors 1, 2, 4, 5, 7 and 8 are difficult to define in this study. At this stage the results do not provide conclusive evidence of the validity of the 8-factor structure of the MLQ (Form 5X) in the South African context. More in-depth research investigations need to be conducted in order to prove beyond reasonable doubt that the MLQ is a valid instrument for measuring leadership behaviour in South Africa. In Chapter 7 **section 7.2.2** possible interpretations for the results of the factor analytical study are discussed. Recommendations regarding future research on the validity of the MLQ are also considered in the aforementioned section. The focus will now shift to the USB-group as a microcosm of training and development of leaders in South Africa.

6.4 THE GRADUATE SCHOOL OF BUSINESS, UNIVERSITY OF STELLENBOSCH (USB), AS A MICROCOSM OF TRAINING AND DEVELOPMENT OF LEADERS IN SOUTH AFRICA

In order to establish the feasibility of training and development it was important how training and development is applied in training centres in South Africa. For obvious reasons it was impractical to investigate the training processes of all transformational leadership-training centres in South Africa. The USB was used as an example of training at a micro level in the South African context because it is a credible institution for training South African businessmen. It was also easy to gain access to the facilities of the USB.

Graph 6.4 Comparing the USB Sample to the Total South African Sample and an International Sample



** Refer to Appendix C for key to Graph 6.4.

To establish the quality of leaders who enter the *Full Range Leadership Programme* at the USB, their MLQ profiles were established. These profiles were then compared to the total South African sample and to an international sample. Refer to **graph 6.4** in order to gain a better understanding of the MLQ profiles of the aforementioned sample groups.

The results established that participants with leadership potential participated in the course at the USB. Once it was established that participants in the *Full Range Leadership Programme* at the USB were a select group, the research project proceeded with an evaluation of the course on the reaction level. The focus will now shift to the comparisons between the USB and two other samples. The results indicate that managers trained in the *Full Range Leadership Programme* at the USB tend to engage more in transformational leadership behaviours than the larger total South African sample. These findings support the assumption that leaders trained at the USB scored higher on the transformational leadership dimensions because only top executives are selected. Accordingly it seems a valid assumption to make that the USB group is a select group.

6.4.1 Comparing Leaders Trained at the USB with the Total South African Sample

Table 6.8 reflects the average scores of participants at the USB who completed the MLQ (Form 5X) on each of five transformational leadership dimensions. Secondly, the standard deviation from the mean for the USB sample on each dimension is given in table 6.8. The same statistics apply to the total South African sample.

Table 6.8 T-value Obtained by Comparing MLQ Profiles of Participants that Completed the *Full Range Leadership Programme* at the USB, to the Total South African Sample

Dimensions	IIA	IIB	IM	IS	IC
USB – Mean Score (N=120)	3	3.05	3.14	3	2.98
S.D.	0.4	0.47	0.44	0.34	0.39
Total South African Sample Mean Score (N=7443)	2.88	2.86	2.9	2.86	2.89
S.D.	0.44	0.42	0.45	0.4	0.43
T-Value	3	4.83	5.75	3.88	2.34

* The Graduate School of Business group was not included in the total South African sample for practical reasons.

* The degrees of freedom were determined at 7561.

** Refer to Appendix C for key to table 6.8.

The following deductions can be made from the table 6.8. Managers who participated in training at the USB scored higher averages than the total South African sample on all of the transformational leadership dimensions. The t-value indicates that there is a statistically significant difference between the South African and international samples on all dimensions on the 0.05 level of significance.

It was found that managers trained at the USB scored higher averages on the idealised influence attributed, the idealised influence behaviour dimension, the inspirational motivation dimension, intellectual stimulation, and the individualised consideration dimension than their fellow countrymen. Managers trained by the USB scored statistically significantly higher averages than the national sample on the idealised influence attributed scale [$t(7561)=3$; $p<0.05$], the idealised influence behaviour scale [$t(7561)=4,83$; $p<0.05$], the inspirational motivational scale [$t(7561)=5,75$; $p<0.05$], the intellectual stimulation [$t(7561)=3,88$; $p<0.05$] and the individual consideration dimensions [$t(7561)=2,34$; $p<0.05$]. Owing to the significant differences on each of these five dimensions, the alternative hypothesis was accepted for hypotheses eight, nine, ten, eleven and twelve. Differences in the averages indicate that USB leaders scored higher on each of the five dimensions of transformational leadership tested. Alternative hypotheses eight, nine, ten, eleven and twelve are thus confirmed (see graph 6.4).

6.4.2 Comparing Leaders Trained at the USB to an International Sample

Leaders trained at the USB were also compared to an international sample. Descriptive statistics for the international sample were obtained from the Full Range Leadership Development Manual for the Multi-factor leadership questionnaire (Bass & Avolio, 1997, page 53). These results obtained from the manual reflect research findings that were completed in 1996 by Bass, Avolio and Jung.

Table 6.9 can be interpreted in the same manner as the previous two tables. The following deductions can be made from **table 6.9**. Managers who participated in training at the USB scored higher averages than the international sample on all of the transformational leadership dimensions. On all these values the t-value indicated that there was a statistically significant difference between the South African and international samples on all dimensions on the 0.05 level of significance.

Table 6.9 T-value Obtained by Comparing MLQ Profiles of Participants that Completed the *Full Range Leadership Programme* at the USB to an International Sample

Dimensions	IIA	IIB	IM	IS	IC
USB – Mean Score (N=120)	3	3.05	3.14	3	2.98
S.D.	0.4	0.47	0.44	0.34	0.39
International sample : Mean Score (N=2080)	2.56	2.64	2.64	2.51	2.66
S.D.	0.84	0.85	0.87	0.86	0.93
T-Value	6.28	5.86	6.49	6.53	4

* The degrees of freedom were determined at 2198.

** Refer to Appendix for key to **table 6.9**.

It was found that managers trained at the USB scored higher averages on the idealised influence attributed the idealised influence behaviour dimension, the inspirational motivation dimension, intellectual stimulation, and the individualised consideration dimension than the total international sample. USB managers scored statistically significantly higher averages than the international sample on the idealised influence attributed scale [t (2198)=6,28; p<0.05], the idealised influence behaviour scale [t (2198)=5,86; p<0.05], the inspirational motivational scale [t (2198)=6,49; p<0.05], the intellectual stimulation [t (2198)=6,53; p<0.05] and the individual consideration dimension [t (2198)=4,0; p<0.05]. Owing to the significant differences on each of these five dimensions, the alternative hypothesis was accepted for hypotheses thirteen, fourteen, fifteen, sixteen and seventeen. The aforementioned hypotheses were thus confirmed.

The results indicate that managers trained in the *Full Range Leadership Programme* at the USB tended to engage more in transformational leadership behaviours than the larger international sample. These findings lend further support to the assumption that leaders trained at the USB scored higher on the transformational leadership dimensions because only top executives were selected. Further evidence suggests that the USB was a select group not only nationally but also internationally.

6.4.3 Testing Transformational Leaders on the Reaction Level

For the purposes of the small survey study forty-six questionnaires were returned. There were nine questions which respondents had to answer on Form Q1 (refer to **Appendix B**). This questionnaire was also explained in more detail in Chapter 5, p.95-96.

The questionnaire reflected a number of statements which the subject had to answer accordingly to the following categories:

- 1 = Strongly Disagree
- 2 = Disagree
- 3 = Neutral
- 4 = Agree
- 5 = Strongly Agree

Subjects had to give brief reasons for their answers. Subjects' answers reflected their opinion of the *Full Range Leadership Programme*. All the quantitative data is now discussed in **table 6.10** to **6.19** the quantitative as well as qualitative data generated from the survey is reflected.

Question 1: The content was relevant and applicable to my work situation

Table 6.10 Reactions of Participants regarding Question 1 (Form Q1)

Nominal Data	1 Strongly Disagree	2 Disagree	3 Neutral	4 Agree	5 Strongly Agree
Number of Subjects	0	2	4	30	10
Percentage of Subjects	0 %	4 %	9 %	65 %	22 %

Participants that agreed with the statement:

- Transformation and change is inevitable in all spheres of life.
- The course focuses on the ever-changing South African environment.
- South Africa is going through a process of transformation and restructuring.
- The focus of the course is on business transformation.
- The programme is a model for leadership development and practice
- The *Full Range Leadership Programme* is relevant because it evaluates leadership style as well as leadership performance.
- Adapting leadership style to the "Full Range Leadership Model" style makes one more effective in practice. The theory can be successfully transferred to the working environment.
- Effective leadership is paramount for organisational success when going through a process of transformation.
- Transformational Leadership is applicable to all sectors and job levels.
- Understanding the issues surrounding effective leadership makes it possible to apply leadership skills with more confidence.
- The content of the course is effective when applied to interaction with people, teamwork and problem solving.

- The *Full Range Leadership Programme* emphasises strategic thinking.
- Subordinates react positively to the four I's of transformational leadership.
- Being an executive involves leadership (transformational skills) as well as management (transactional skills).
- Guidelines are given when to act in a transformational manner and when to act in a transactional manner.

Participants that rated neutral or disagreed with the statement:

- Leaders are born and not made.
- The course was too theoretical and not applicable to the South African situation.
- Little understanding by superiors of what the course achieves.
- Working situation changed shortly after being nominated to go on course.

Question 2: The programme was too "American" and is not applicable to the South African situation.

Table 6.11 Reactions of Participants regarding Question 2 (Form Q1)

Nominal Data	1 Strongly Disagree	2 Disagree	3 Neutral	4 Agree	5 Strongly Agree
Number of Subjects	8	24	8	4	2
Percentage of Subjects	17, 5 %	52 %	17, 5 %	9 %	4 %

Participants that disagreed with the statement:

- America has faced problems in the past similar to those that South Africa is currently experiencing.
- South Africans can learn from the Americans. The course maintained a balance between the American and South African situations.
- The programme was business-orientated and therefore it had a global focus.
- Strategic management of any first-world country will be applicable to South Africa.
- Leadership is a universal concept and therefore applicable to a diverse range of situations, people and cultures.
- The programme was culturally adapted to the South African situation based on the experiences of other participants. The presenters gave examples of the South African situation throughout the course.
- The same underlying principles of the *Full Range Leadership Programme* that are applicable to the American situation is also applicable to the South African scenario.

- The theory could be practically applied by managers to the South African situation.
- Participants in the European environment applied the same principles.

Participants agreed or rated neutral on the statement:

- Labour and employment issues are different in South Africa to those in America.
- The African culture that is present in South Africa is not first world. Capitalist principles are difficult to apply in South Africa.
- Black managers question the relevance of the programme.
- South Africa is unique in the sense that is a first-world country in a third-world sea. The composition of the South African workforce, the upward trend of unionism and its position on technology, makes it different.

Question 3: I had adequate opportunity to apply what I learned in the working situation

Table 6.12 Reactions of Participants regarding Question 3 (Form Q1)

Nominal Data	1 Strongly Disagree	2 Disagree	3 Neutral	4 Agree	5 Strongly Agree
Number of Subjects	0	4	5	27	9
Percentage of Subjects	0 %	9 %	11 %	59 %	20 %

** One subject did not respond to the question.

Participants that agreed with the statement:

- Leadership is a way of organisational life and not just a project. In other words, transformational leadership is an on-going style of leadership.
- The corporate culture and environment support the use of transformational leadership skills.
- Some participants were part of the transformation process at their respective companies. Naturally there was ample opportunity to apply what was learned during the course.
- Continuous change in organisation presents the opportunity to apply what was learned during the course.
- The restructuring of companies presents opportunities for applying skills learned during the course.
- Service organisations provide opportunities for directing subordinates towards goal achievement and customer satisfaction.
- Teamwork creates the opportunity to apply what was learned.

- The programme cultivates awareness among leaders regarding which leader style they are utilising during a given situation.
- Management positions give participants a free hand to apply what was learned during the course.
- Changes in position gave participants the opportunity to use the skills that they had been taught.
- All aspects that were covered by the programme were applicable in the working situation.
- There is the opportunity to share leadership fundamentals with subordinates.
- Daily contact with subordinates gives ample opportunity to apply the skills gained at the course.

Participants that rated neutral or disagreed with the statement:

- Affirmative action and the complexities of the South African situation make it difficult to apply what was learnt.
- A lack of support and understanding from superiors regarding *The Full Range Leadership Programme* make it difficult to apply what was learnt.
- Skills are difficult to use in inter-racial group situations.
- A lack of effort from the participants to actively apply what they have learned.

Question 4: I did not have enough time to apply what I have learnt in the working situation.

Table 6.13 Reactions of Participants regarding Question 4 (Form Q1)

Nominal Data	1 Strongly Disagree	2 Disagree	3 Neutral	4 Agree	5 Strongly Agree
Number of Subjects	17	20	4	4	0
Percentage of Subjects	37 %	43 %	9 %	9 %	0

** One subject did not respond to the question

Participants that disagreed with the statement:

- Enough time was provided by the organisation in order to lead.
- Situations arise in the actual workplace that simulates situations sketched during training. Therefore the programme actually saves time.
- In senior positions, situations arise which need to be dealt with in a given time frame. The skills taught by the programme can be utilised and can in fact save time.
- It is the job of a manager to lead. Therefore there is time to lead during working hours. The principles are naturally applied during a day's work.
- Time is not a question if the manager is committed to effective leadership.
- Conscious efforts are made to utilise time in order to improve leadership effectiveness.
- The greater part of a manager's time should be utilised in any event to apply the skills learned during the course.
- Transformational leadership is an ongoing management style and is not bound to a given time frame.
- Making time to apply these principles saves considerable time in corrective action.

Participants that rated neutral on the statement or disagreed with it:

- Once training has run its course one relapses into old, less effective patterns.
- Work pressure.
- One does have the time but one is not always aware of the *Full Range Leadership Model*.
- Interaction with subordinates does not take place on a daily basis.
- Subordinates are not always receptive to the principles of transformational leadership.

Question 5: The *Full Range Leadership Programme* has a lot of potential and should be presented on a continuous basis

Table 6.14 Reactions of Participants regarding Question 5 (Form Q1)

Nominal Data	1 Strongly Disagree	2 Disagree	3 Neutral	4 Agree	5 Strongly Agree
Number of Subjects	1	0	3	29	12
Percentage of Subjects	2 %	0 %	7 %	63 %	28 %

Participants that agreed with statement:

- South Africa as a whole can benefit if leaders apply these principles.
- Strategic leadership is essential for South Africa.
- The course prepares leaders for the ever-changing South African business environment.
- Individual leadership skills need to be developed in the changing South African environment.
- The *Full Range Leadership Programme* can add value to an organisation that is prepared to learn, change and adapt.
- If all levels of an organisation (leaders as well as followers) are exposed to the principles of the programme it will be easier to establish a culture of participative leadership, teamwork and commitment. If the programme was developed for followers they would realise what is expected of them.
- The principles of the programme are not only theoretical but also practical and can therefore be applied to company reality.
- Continuous exposure to the programme will create a framework for top management to understand leadership better.
- It will give potential leaders a balanced view of leadership.
- The *Full Range Leadership Programme* does not only make one aware of one's one style, but also of the desired style.
- The course enables leaders to behave in a more mature manner.

Participants that rated neutral or disagreed with the statement:

- However a few participants felt that there were other methods and other courses that were more suitable for leadership development, for example Stephen Covey's 7 habits, practical strategic thinking courses and applying practical management skills that were not limited to selected text book case studies.

Question 6: I believe that the feedback on my MLQ scores is not a true reflection of my leadership behaviour because I believe that I behave more in a transformational manner

Table 6.15 Reactions of Participants regarding Question 6 (Form Q1)

Nominal Data	1 Strongly Disagree	2 Disagree	3 Neutral	4 Agree	5 Strongly Agree
Number of Subjects	5	26	8	3	3
Percentage of Subjects	11 %	56 %	17 %	7 %	7 %

** One subject did not respond to this question.

Participants that disagreed with statement:

- Leaders felt that subordinates' view of their leadership behaviour was a true reflection of their leadership style.
- The MLQ profile made leaders aware that they had transactional tendencies.
- Some leaders felt that the MLQ was a true reflection of their leadership behaviour in the actual working environment. In the actual working environment situations arise which need both transformational and transactional management styles.
- Participants trusted the validity of the MLQ as a measuring instrument.
- Participants felt that once they knew their MLQ scores they were able to capitalise on their weak points. They felt that they could feel an improvement in their behaviour in their "weak" areas.
- One participant who did the course twice received the same result on both occasions.
- Being exposed to the concept of rating themselves and being rated by others enabled leaders to change their style.

Participants that rated neutral or agreed with statement:

- Raters did not always understand the feedback questions. The intelligence level and cultural differences of raters should be considered. It was not always understood why raters perceived leaders the way they rated them on the MLQ.
- Some leaders felt that they in fact did act more transformational and that the MLQ was not a true reflection of their scores.

Question 7: The programme was presented in a professional manner.**Table 6.16 Reactions of Participants regarding Question 7 (Form Q1)**

Nominal Data	1 Strongly Disagree	2 Disagree	3 Neutral	4 Agree	5 Strongly Agree
Number of Subjects	0	0	3	31	10
Percentage of Subjects	0 %	0%	7 %	67 %	22 %

** Two subjects did not react to the question.

Participants that agreed with the Statement:

- The content was relevant to South African businesses.
- The programme was well planned, organised and executed. Objectives were set for each module.
- The course was well balanced.
- The “worldwide classes” proved to be an excellent model of professionalism.
- Material was professionally presented.
- The facilitator was able, knowledgeable and competent regarding the subject matter.
- Interaction in classes between managers from different fields led to a quality programme being presented.

Participants that rated neutral or disagreed with the statement:

- A presenter who had the relative practical managerial experience would have had a stronger impact on the course.
- The short space of time in which the programme was presented made it difficult for the programme to fulfil its potential.
- More practical examples and case studies would have been welcome.
- Case studies reflecting the specific industries of each individual would have raised the professional manner of presentation to an even higher level.

Question 8: The programme is not comprehensive enough in any way.**Table 6.17 Reactions of Participants regarding Question 8 (Form Q1)**

Nominal Data	1 Strongly Disagree	2 Disagree	3 Neutral	4 Agree	5 Strongly Agree
Number of Subjects	8	25	8	3	0
Percentage of Subjects	17,5 %	54 %	17,5 %	7 %	0 %

** Two subjects did not react to the question.

Participants that disagreed with the statement:

- Most of the critical aspects of transformational leadership were covered during the programme.
- The programme created a solid grounding on the subject of leadership without leaving any obvious gaps.
- It was comprehensive enough to cover both the theoretical and practical parts of the subject.
- A lot of appropriate information was transmitted to participants regarding the subject matter. Applicable examples were also used and elaborated on. The programme was relevant.
- It was excellent considering time constraints.
- The programme added value to the leadership style of participants. Leadership style could also be adjusted where necessary.

Participants that rated neutral or disagreed with the statement:

- The time in which the programme is conducted is too short. The sessions conducted only touched the surface of leadership.
- The programme could be more specific regarding the South African situation.
- More practical leadership exercises need to be conducted during training in order to reinforce the theory.
- More practical examples and case studies need to be given.
- More time should be allocated to evaluation and feedback.

Question 9 Transformational leadership skills are of the utmost importance to all managers at all levels.

Table 6.18 Reactions of Participants regarding Question 9 (Form Q1)

Nominal Data	1 Strongly Disagree	2 Disagree	3 Neutral	4 Agree	5 Strongly Agree
Number of Subjects	0	0	4	14	27
Percentage of Subjects	0 %	0 %	9 %	30 %	58 %

** One subject did not react to the question

Participants that agreed with the statement:

- South African businesses will not be able to survive without transformational leadership skills.
- The changing South African society and businesses environment makes transformational leadership skills essential. This is essential in order for businesses to function effectively.
- Being a leader instead of a manager can motivate people at all levels.
- Transformational leadership skills are appropriate for both leaders and followers.
- South Africa is a society in transformation. Modern South Africa needs a transformational approach towards challenges in order to cope with present realities. South Africa needs to adapt in order to lead its citizens into the new millennium through a process of collaboration.
- Transformational leadership can create the culture of a company.
- Transformational leadership skills give leaders the edge.
- The diversity of issues that a South African leader must attend to makes a transformational approach essential for effective management.
- Managers need transformational skills in order to manage change.
- Transformational leadership skills are necessary to enhance the performance of subordinates.

Participants that rated neutral or disagreed with statement:

- Transformational leadership is over-emphasised. It is a new "buzz word".
- Certain disciplines do not necessarily require transformational leadership skills.
- Other skills are just as important as transformational leadership skills.

- Participants gave practical suggestions with regard to the programme. The aim of these suggestions was to improve the practical relevance of the course. The suggestions were as follows:
- The course should be presented over a longer period. Time constraints make it difficult to give participants sufficient exposure to the "Full Range Leadership Module." Three sessions of two weeks would be more advisable.
- There needs to be a balance between participants from various fields. There tend to be too many military personnel on these courses. More civilians on the course would create a better balance of participants. The focus should be more industry-specific.
- More attention should be given to feedback and evaluation. Personal individualised feedback would improve the programme. A follow-up on plan of action and a refresher course would be of assistance.
- Methods should be developed to measure and quantify strategies. The company should be evaluated before and after the given strategy.
- The course could be of more practical relevance. Prominent businessmen could be invited; there could be formal discussion of the practical implementation of the programme to rectify developmental areas; different leadership styles should be highlighted by means of practical examples; participants should get the opportunity to practically apply skills (role plays); and more emphasis should be placed on skills.
- A suitable selection criterion should be implemented in order to select participants rather than the company simply nominating a candidate. Candidates should be suitable for the course.
- The development process of becoming a transformational leader should be dealt with.
- A recent previous student should be invited to de-brief a new group of students on what the course entails. A de-briefing session, complemented by interaction, would give students a guideline on how to get optimal benefit from the course.
- Interaction between students and the USB personnel is the most important part of the course and should be maintained.
- The programme should be adjusted in order to suit lower-level managers.
- The politics of transformation could receive more attention.
- Costs are too high for small and medium enterprises.

Table 6.19 Reactions of Participants to the *Full Range Leadership Programme* of Each of the Nine Items on Form Q 1.

	1 Strongly Disagree	2 Disagree	3 Neutral	4 Agree	5 Strongly Agree
Question 1	0 %	4 %	9 %	65 %	22 %
Question 2	17, 5 %	52 %	17, 5 %	9 %	4 %
Question 3	0 %	9 %	11 %	59 %	20 %
Question 4	37 %	43 %	9 %	9 %	0 %
Question 5	2 %	0 %	7 %	63 %	28 %
Question 6	11 %	56 %	17 %	7 %	7 %
Question 7	0 %	0%	7 %	67 %	22 %
Question 8	17, 5 %	54 %	17, 5 %	7 %	0 %
Question 9	0 %	0 %	9 %	30 %	58 %

From **table 6.19** a quantitative data regarding participant's reactions towards the FRLP can be analysed. A short analysis will follow now.

Question one: From **table 6.19** the following interpretation can be made: none of the forty-six respondents strongly disagreed with the given statement, two respondents disagreed with the statement, four respondents had neutral feelings about the statement, thirty respondents agreed with the statement and ten respondents strongly agreed with the statement. Percentage-wise, null percent of the sample strongly agreed with the statement, only four percent of the sample disagreed with the statement, nine percent had neutral feelings towards the statement, sixty-five percent of the sample agreed with the statement, and twenty-two percent of the sample strongly agreed with the statement.

All in all, 87 percent of the total sample felt that the content of the *Full Range Leadership Programme* was relevant and applicable to their work situation. Nine percent remained neutral whether the content was relevant and applicable to their work situation, while only four percent of the sample felt that the content of the programme was not applicable to their actual working situation. All the questions that follow question one can be interpreted in a similar manner.

- **Question two:** Almost seventy percent of participants were of the opinion that the programme was not too "American", and was applicable to the South African situation.
- **Question three:** The results of this question reflect that 79 percent of all participants felt that they had had adequate opportunity to apply what they had learned during the course in the working environment.

- **Question four:** The results of this question reflect that 80 percent of participants felt that there was enough time to apply what had been learned during the course in the working situation.
- **Question five:** The results of this question reflect that 91 percent of participants felt that the *Full Range Leadership Programme* had ample potential and should be presented on a continuous basis.
- **Question six:** The results of this question reflect that 67 percent of all participants felt that the MLQ was an accurate reflection of their leadership profile.
- **Question seven:** The results of this question reflect that 89 percent of participants felt that the programme was presented in a professional manner.
- **Question eight:** The results of this question reflect that 71 percent of participants felt that the programme was comprehensive enough, although there were some concerns regarding time constraints.
- **Question nine:** The results of this question reflect that 88 percent of the sample group felt that transformational leadership skills were important to leaders at all levels. Some respondents suggested that lower and middle-order managers should also be exposed to the *Full Range Leadership Programme*.

From the summary above it can be seen that the participants had an overwhelmingly positive view of the *Full Range Leadership Programme*. Therefore the programme should be developed further in order to reach its full potential. Incorporating a larger target audience should be considered seriously.

6.5 SUMMARY

This chapter presented the results of the research study. The results addressed the main research problem, the feasibility of training and development in South Africa. A summary of each sub-problem will now follow.

The results regarding the first sub-problem addressed the degree of transformational skills that South African leaders possess. Accordingly the South African sample was compared to two ideal profiles of leadership. The first ideal profile compared the total South African sample to an ideal theoretical profile of transformational leadership. The second ideal profile compared leaders who did well on the outcome measures of the South African profile (effectiveness profile) to the rest of the South African sample. Profile Analysis on the two profiles was then conducted. In both instances the South African sample showed a significant resemblance to the two ideal profiles of leadership. Secondly, the total South African sample (excluding the USB group) was compared to an international group by means of a t-test. A significant difference between the scores was reflected by the t-test. The results indicated that the South African sample group behaved in a more transformational manner than their international counterparts.

The aim of the second sub-problem was to determine whether the MLQ was suitable for measuring transformational leadership skills in South Africa. This problem was addressed by factor analysis. At this stage the results do not provide conclusive evidence of the validity of the 8-factor structure of the MLQ (Form 5X) in the South African context. More in-depth research investigations need to be conducted in order to prove beyond reasonable doubt that the MLQ is a valid instrument for measuring leadership behaviour in South Africa. In Chapter 7 **section 7.2.2** possible interpretations for the results of the factor analytical study are discussed. Recommendations regarding future research on the validity of the MLQ are also considered in the aforementioned section.

In the third sub-problem, the USB as a microcosm of the total South African was investigated. T-values indicated significant differences between the mean scores of the USB and the total South African sample and the international sample on all the transformational scales. In each instance the USB group scored significantly higher than the aforementioned two samples. Once it was determined that the USB had a high level of transformational leadership skills before training, the reaction of forty-six participants was tested. The measurement on the reaction level indicated that respondents felt that the training was suitable for South African conditions. The general feeling of participants was that transformational leadership skills could benefit South Africa. Generally, participants felt that transformational leadership training was worthwhile. The general consensus was also that training in the *Full Range Leadership Programme* should be continued at the USB. Therefore participants saw training in a favourable light.

This chapter gave an overview of results. The next and final chapter, chapter seven will discuss results in more detail. Implications for future research in the field of transformational leadership are also discussed. Finally, recommendations for the future are reflected in the final chapter.

CHAPTER 7

DISCUSSION, IMPLICATIONS AND RECOMMENDATIONS FOR FUTURE RESEARCH

7.1 INTRODUCTION

As was mentioned earlier the main problem of this research project was to investigate the feasibility of transformational leadership training in South Africa. Results presented in Chapter 6 were more concerned with the statistical analyses of the results. This chapter is more qualitative in nature and is mainly concerned with implications and recommendations for future research.

A more detailed discussion is to follow regarding the four sub-problems. Emphasis is on inferences drawn from the results presented in Chapter seven. Implications and recommendations regarding the sub-problems are then being dealt with. Recommendations for transformational leadership research in general, concerning South Africa is also made.

7.2 DISCUSSION OF THE MAIN PROBLEM

The main problem investigated the feasibility of transformational leadership training and development. The main problem was broken down into four sub-problems. A discussion of these four sub-problems is to follow. The discussion includes an interpretation of the results, limitations of the research, and avenues to be explored for future research regarding each sub-problem.

7.2.1 Sub-Problem One: The Degree of Transformational Leadership in South African Managers

Sub-problem one can be divided into three sub-sections. Firstly, the total South African sample was compared to an Ideal Theoretical Leadership Profile. Secondly, the MLQ profiles of managers who performed well on the outcome measures (Ideal Effectiveness Leadership Profile) were compared to the rest of the South African sample. Thirdly, the total South African sample was compared to an international sample by means of a t-test.

The results of the first ideal profile indicated that there was a statistically significant resemblance between the total South African sample and the Ideal Theoretical Leadership Profile. Thus the first null hypothesis could be rejected. The shape, level and emphasis of the two profiles showed further proof of profile similarity.

The results of the second ideal profile also indicated that there was a significant resemblance between the Ideal Effectiveness Leadership Profile and the rest of South Africa sample. Thus null hypothesis two was rejected. As with the first ideal profile: the shape, level and emphasis of the two profiles substantiated a high degree of profile resemblance between the two profiles.

In chapter four it was stated that transformational leadership consists of idealised influence, inspirational motivation, intellectual stimulation and individual consideration. It was further stated that idealised influence was often sub-divided into idealised attributed and idealised influence behaviour dimensions. Using the t-tests in order to test each of the transformational dimensions a significant difference was found on the idealised influence attributed, the idealised influence behaviour, the inspirational motivation, the intellectual stimulation and the individual consideration dimensions between the total South African sample and the International sample. The null hypothesis for hypotheses three, four, five, six and seven were thus rejected. The mean score for each dimension served as further evidence that there was a difference between the five transformational dimensions. In each instance the South African sample group scored significantly higher on all five transformational leadership dimensions. Inferences that were made from sub-problem one and avenues for future research regarding the South African transformational leadership situation is now being dealt with. The comparison between the South African sample and the international sample groups indicates that South African leaders match up to international standards of transformational leadership skills.

To summarise, the following results were gathered regarding the development of an ideal profile of leadership:

- There is a resemblance between the Ideal Theoretical Leadership Profile and the total South African sample.
- There is a resemblance between the ideal profile of leadership as determined by the Ideal Effectiveness Leadership Profile and the total South African sample.
- Effective leaders (average on outcome measures > 3.5) do not only tend to score higher on the transformational leadership scales, but also on the contingent reward and management-by-exception active dimension. The inference can be made that the management-by-exception passive and laissez-faire dimensions are both extremely passive types of leadership, while the rest of the dimensions reflect more active types of leadership.

A discussion of the inferences that can be made from the results is to follow now.

The fact that the South African leaders failed to perform at the levels set by the two ideal profiles of leadership indicates that a need for training in South Africa exists. The results also indicate that the transactional and laissez-faire leadership dimensions should be modified during training.

If a profile of the more effective leaders were to be compared to the ideal theoretical profile, the effective leaders would be closer to the ideal than the total South African sample or the rest of South Africa sample on the transformational scales. However, the more effective leaders would also be more remote from the theoretical ideal profile than the aforementioned two profiles on the contingent reward as well as management-by-exception dimensions. Therefore the question can rightly be raised whether contingent reward and the active management-by-exception dimensions are part of the transformational leadership construct. Is it not possible that the contingent reward and management-by-exception active dimensions are more transformational than transactional? Should the transformational leadership dimensions be developed at the cost of the contingent reward and the active management-by-exception dimensions in training? Is it possible that the development of the contingent reward and management-by-exception is neglected at the cost of the transformational leadership dimensions? Clover (1990) answers aforementioned questions by stating that transformational leadership does not necessarily rule out the need for good transactional leadership. Research needs to be done in order to substantiate aforementioned author's views.

In the light of this point, the accuracy of the Ideal Theoretical Leadership Profile is questionable. Receiving an average score of 3.5 on all transformational leadership dimensions is characteristic of the theoretical ideal profile. In a study by Bass, Avolio and Goodheim (1987) on biography and the assessment of transformational leaders at world-class level by informed students (rater questionnaire), only one world-class leader, namely Dag Hammarskjold (previous secretary-general of the United Nations), scored more than 3.5 on all transformational leadership dimensions. Legendary leaders who have had a massive impact on history, such as Theodore Roosevelt, Mahatma Gandhi, Malcolm X, Abraham Lincoln, John Paul Getty, Alfred P. Sloan and Howard Hughes could not score above 3.5 average on all transformational dimensions. Lee Iacocca, used as an example of a transformational leader by Tichy and Devanna (1986), could not receive more than a 3.3 on any of the transformational dimensions. The performance of Lee Iacocca indicates that the Ideal Theoretical Leadership Profile is too unrealistic. The ideal profile according to effectiveness that was established by this research project, could possibly set a more realistic cut-off point for an ideal profile. A cut-off point of 3.3 for transformational leadership dimensions as per Ideal Effectiveness Leadership Profile could possibly be a more realistic cut-off point.

The search for an ideal profile of transformational leadership should be investigated further by research. Further refinement of scales is necessary. Another possibility

would be to grade scores according to the scales of the MLQ in order to establish an ideal profile of leadership. Between zero and one on the MLQ could be the ideal score used for laissez-faire and management-by-exception passive scale; a score between one and two could represent the ideal score for the management-by-exception active dimension; a score between two and three could represent the ideal score for the contingent reward score, and a score between three and four could represent the ideal score for the transformational leadership score. According to Ristow (1998) previous research suggests that three levels of analysis can be used for MLQ scores. The three levels are as follows: HIGH (2.5 – 4.0), MEDIUM (1.5 – 2.5) and LOW (0.0 – 1.5). These three levels can be applied to the present study. Taking into consideration the results of this study, an ideal profile could be designed by using the three levels of analysis according to Ristow (1998). Contingent reward and transformational leadership dimensions could fall into the HIGH category, management-by-exception active could fall into the MEDIUM category, while management-by-exception passive could fall into the LOW category. Undoubtedly much research has to be done before an optimal profile of transformational leadership can be validated.

The focus is now shifting to the comparison between the total South African sample and the international sample. Comparing the South African sample to the international sample indicated that there was a significant difference between the two groups. Comparing the means of the two samples provided further evidence that the total South African sample scored significantly higher than their international counterparts on all five transformational leadership dimensions. In other words, South African leaders scored higher on the idealised attributed dimension, the idealised influence behaviour dimension, the inspirational motivation dimension, the intellectual stimulation dimension and the individual consideration dimension. Subsequently the null hypothesis was rejected for hypotheses three, four, five, six and seven. Interpretation, implications and recommendations for future research regarding these results is to be discussed in more detail in **section 7.2.3**.

7.2.2 Sub-Problem Two: Construct Validity of the MLQ in South Africa

The first final-order analysis was determined by Cronbach's Alpha coefficient (semi-partial correlations). A number of factors could have influenced the mixed results of the factor analysis. The fact that rater and self-rater scores were used could have influenced the final results. Self-raters tend to "fake good" which tends to contaminate results (Bass & Avolio, 1997). Furthermore, only the 45-item version of the MLQ was utilised, whilst the 70 item version was not utilised. Previous international research tests a 6-factor structure model of transformational leadership by means of confirmatory factor analysis. This research investigation utilises an 8-factor confirmatory analysis that could also possibly explain the mixed results obtained for this study.

There are some limitations to the factor analysis utilised for this study. Firstly, the sample group was made up of extremely homogeneous people in top-level positions in various sectors in South Africa. However, geographically the sample group was dispersed. No nominal data such as race or gender was used for the factor analysis and therefore it was difficult to generalise results. The second limitation is thus the fact that no potential gender, language or race differences were investigated. Since this was an explorative study, internal validity was considered more important than external validity. Further validation by means of follow-up research should consider examining individual differences.

Only one method of rotation was used. The Procrustes method of rotation was utilised for the purposes of this study. Procrustes rotation depends to a large degree on chance. It would have been interesting if an orthogonal or an oblique Varimax method of rotation had been used in order to assess whether the resulting factor analysis would have been the same. These analyses are, however, beyond the scope of this study.

At this stage the results do not provide conclusive evidence for the validity of the 8-factor structure of the MLQ (Form 5X). Further research is needed in order to assess the validity of the MLQ under South African conditions. It would be recommended that future research deal with rater scores only.

7.2.3 Sub-Problem Three: Investigating the USB as a Microcosm of the Larger South African Population

The USB was compared to two sample groups, namely the total South African sample and an international sample. When compared to the total South African sample, the t-value for the t-test for independent samples indicated that there was a significant difference between the two groups. The USB group scored significantly higher on the idealised attributed dimension, the idealised influence behaviour dimension, the inspirational motivation, the intellectual stimulation, and the individual consideration dimension than the total South African sample. These findings were confirmed when comparing the mean scores of the two samples. In the light of these conclusive results, the null hypothesis was rejected for hypotheses eight, nine, ten, eleven and twelve. Thus the alternative hypothesis was confirmed.

When comparing the USB results to the international sample, a similar pattern evolved to that of the total South African sample. Once again there was a significant difference between the two samples on the idealised influence attributed, the idealised influence behaviour, the inspirational motivation, the intellectual stimulation, and the individual consideration dimensions. The mean scores showed that the USB group performed better on the idealised influence attributed, idealised influence behaviour dimension, the

inspirational motivation dimension, the intellectual stimulation, and individual consideration dimension than the international sample. Subsequently the null hypothesis was rejected for hypotheses thirteen, fourteen, fifteen, sixteen and seventeen.

A discussion of the results for the t-tests regarding comparisons between the total South African sample and the international sample is to follow now. This is being done in conjunction with comparisons between the USB and the two other samples discussed earlier in this section. Since the total South African sample scored significantly higher on all transformational dimensions than an international sample, it suggests that transformational leadership is a universal phenomenon (Bass, 1997). Self-rater and rater scores were used to determine the average score of the total South African and the USB sample. Only rater scores were used to determine the averages of the international sample. A suggestion for future research would be to compare only the rater scores of the USB and total South African sample to the international samples. Comparisons could then also be made to find whether rater scores are lower than self-rater scores for the total South African sample. A factor analysis could then also be conducted using only the rater scores. This is a basic limitation of this study. According to Bass and Avolio (1997) both rater and self-rater scores are reliable. However, rater scores are somewhat more reliable than self-rater scores. The difference in reliability between rater and self-rater scores also depends on the source of the data. Since this study was explorative in nature, all data was utilised in order to pave the way for future research.

Against two samples the USB did appear to be a select group. However, future research is needed in order to gather conclusive evidence. A suggestion for future research would be to compare the forty-one other clients of Productivity Development (Pty.) Ltd. with the USB by means of a profile analysis. A MANOVA analysis between and across samples would provide conclusive evidence whether the USB is indeed a select group. Job gradings of all subjects across the forty-two samples need to be gathered in order to determine whether the USB group was indeed higher in the corporate hierarchy than members of the other forty-one samples. However, once it was established that the USB group is a select group, their reactions to *The Full Range Leadership Programme* was measured. This was done in order to find out whether the participants felt that they had benefited from the programme. Interpretation of the reaction level measurement is to follow now in **section 7.2.4**.

7.2.4 Sub-Problem Four: Measurement on the Reaction Level of the USB Group

Although the USB sample group was a select group they felt that the course was useful.

This indicates that South African managers perceived a need for transformational leadership training.

From the qualitative data obtained from the USB sample group, a few suggestions can be recommended. The strong business orientation, strategic and global focus of the course should be continued. A student who has participated recently should be invited to de-brief a new group of students. A de-briefing session complemented with interaction would enable students to get optimal benefit from the course.

A suitable selection process should be implemented in order to select suitable participants for the course. Top management should select participants who have a high probability of future promotion. According to Bentz (1990) predictor measures make it possible to assess the potential of various developmental programmes. Sparks (1990) as well as Howard and Bray (1990) found that leadership potential can be identified early in the working careers of lower-level managers. Employees who are in the learner category would be ideal participants for the course. The development of transformational skills could possibly help managers in this category to perform to their full potential. This would enable learners to gain promotion and turn into stars. Participants should also carefully select raters. It is important that raters should possess the necessary intelligence to have a comprehensive understanding of the underlying items reflected by the MLQ.

There are two areas of thought regarding the composition of groups participating in the *Full Range Leadership Programme* at the USB. Some participants feel the interaction between various disciplines in the course were of great benefit. However, other participants felt that a field-specific group would have been of greater benefit. Future research or an investigation conducted by the USB should investigate which of the two directions of thinking would be of the greatest benefit to participants. Practical and financial considerations should be considered before implementing a course of action in which participants from diverse fields would be exposed to the *Full Range Leadership Programme*.

Participants felt that the development of leadership profiles was useful and should be continued. Aforementioned indicates that the USB group, although they were a select group felt that there is a need for training transformational leaders. Participants also felt that the development process of becoming a transformational leader should be explained to participants. In other words, what do participants need to do in order to become more transformational? During the course, the importance of applying transformational skills on a daily basis with regard to subordinates should be made clear to course participants.

When developing the leadership plan, issues relevant to the South African situation

should be considered. These would include factors such as affirmative action, unionism and managing cultural diversity. Managing organisational politics in South African organisations is also a topic that should be considered by presenters of the course at the USB.

In the action plan each organisation's unique culture should be considered before implementation. In other words, each individual's unique working situation should be taken into consideration. Special focus during the course should be given to ways of obtain the support of the organisation for applying the skills.

The superiors of the involved participants should be informed about the skills that are being taught during the course. Superiors should be involved in developing the leadership plans of participants. It can be argued that superiors would have a thorough knowledge of the participants' leadership strengths as well as weaknesses. It is important that participants should be taught how to transmit the essentials of transformational leadership to subordinates as well as superiors.

It is important that presenters emphasise the fact that transformational leadership is not just a project but a process. Ultimately transformational leadership should become a way of life. Presenters should maintain the present balance between the theory and the practical side of the course. It is important that the course does not become too theoretical. Participants want to apply what they have learnt. Therefore, it would be a good idea to utilise industry-specific case studies. Secondly, participants should be given the opportunity during training to apply different skills by means of role-plays. The USB should also consider the possibility of using an experienced manager or prominent businessman to co-present the course. A recent student could be used to inform participants what to expect of the course. Practical implementation of the programme should rectify developmental areas, different leadership styles should be highlighted by means of practical examples, and participants should get the opportunity to apply skills in practice through role-plays. More emphasis should be placed on skills.

Time constraint was problematic during the course. Some participants were of the opinion that too much material was crammed into too little time. Personalised feedback and evaluation in conjunction with a follow-up on the plan of action should be considered. A refresher course would also avoid the potential problem of relapse. The company or section in which the participant works, should be evaluated before and after the given leadership strategy. Level four evaluation (Kirkpatrick) should be considered. On the whole the USB should consider doing the entire *Full Range Leadership Programme*.

Participants should be made aware that applying the leadership skills taught during the programme would save them time. It will also increase their overall managerial

effectiveness. Transformational leadership is pro-active in nature and therefore should become a way of life. Participants should be warned against relapse and falling into old, less effective habits after the course is completed. Since it is a more effective pattern and time saver in the long run, work pressure should not be used as an excuse.

Costs of the course are too high for small and medium enterprises. The course could be adjusted in order to suit lower-level managers and entrepreneurs. Lower costs can then be charged if a larger number of participants from these groups are selected for the programme.

A follow-up course could focus on aspects related to transformational leadership. The application of transformational leadership to teamwork and organisational climate could be investigated.

Overall suggestions regarding general research in the area of transformational research are to follow now. These topics should make a contribution to the field of transformational leadership research worldwide.

7.3 RECOMMENDATIONS FOR FUTURE RESEARCH IN THE FIELD OF TRANSFORMATIONAL LEADERSHIP IN SOUTH AFRICA

There are several directions regarding transformational leadership that need to be explored in the South African context. Recommendations are discussed in the following paragraph.

According to the viewpoints of respondents in the survey study transformational leadership is effective at all levels in the organisation. It would be interesting to see if raters see any systemic differences between senior managers (who are more distant from subordinates) and their immediate supervisors. It would also be interesting to see if the profiles of leaders change over time? Does life history among managers influence MLQ scores in South Africa?

Analysis of the effectiveness leadership profile indicates that the management-by-exception active dimension of the MLQ might relate to the effectiveness of the leader. Can we specify situations in which management-by-exception active leadership might be more suitable than transformational leadership? The profile analysis indicated that management-by-exception passive and laissez-faire leadership differs from the other dimensions of the *Full Range Leadership Model*. Future research could be done in order to determine in which ways the two passive forms of leadership differ from the more active types of leadership.

The study suggested that the effectiveness of transformational leadership depend on the organisational culture. Therefore it is important to investigate links between individual MLQ Profile Reports and team MLQ scores as assessed by the TMLQ and organisations measured by the QDQ (Bass & Avolio, 1997). The relationship between transformational leadership and effectiveness in South Africa should be further researched. Ristow (1998) found that transformational leadership correlates highly with effectiveness in the arena of cricket administration in South Africa.

It was suggested in Chapter four that charisma has a dark side to it. Therefore, is transformational leadership democratic? Is there a correlation between transformational leadership and trust in the leaders by followers? Butler, Cantrell and Flick (1999) found that team members' trust in the leader mediated the relationships between four of six leadership behaviours. Do transformational leaders forge stronger emotional ties with followers than non-transformational leaders?

It has been suggested that the USB managers are a select group. Are there any differences in the profiles in South Africa as we move from organisation to organisation? The relationship between psychological empowerment, transformational leadership and job satisfaction could be investigated in the South African context. An international study by Fuller, Bryan, Morrison, Jones and Bridger (1999) of a sample group of two hundred and thirty nurses found that psychological empowerment moderated the relationship of three of the four transformational leadership dimensions and job satisfaction.

How effective are personality and aptitude assessment in the selection of transformational leaders? Goodstein and Lanyon (1999) found that the Big Five factors of personality can effectively predict job performance. According to Bee (1996) the Big Five of personality are extroversion, introversion, agreeableness, conscientiousness and neuroticism. An interesting study would be to test the relationship between transformational leadership behaviours, outcome measures and different personality types according to Cattell and Eber's (1961), sixteen personality factor inventory. Do certain personality traits increase the amount of idealised influence, individual consideration, intellectual stimulation and inspirational motivation in leaders? The scholastic aptitude test (SAT) on 12 factors could be an effective measurement instrument (Wechsler, 1965) for selecting transformational leaders. It would be interesting to see whether certain types of intelligence are better predictors for the amount of idealised influence, individual consideration, intellectual stimulation and inspirational motivation behaviours displayed by leaders. Charismatic leaders are assumed to have outstanding oratory abilities. Do charismatic leaders score higher on verbal intelligence than transactional leaders? It is the author's view that participants who have the potential to benefit from the programme should be selected for it. These managers should be in the "star" or "learner" category. Should the programme be voluntary or compulsory? The author's view is that transformational leadership should

be developed for first-level supervisors and a higher level of management. This would facilitate the "falling dominoes effect" (Bass, Waldman, Avolio & Bebb, 1987).

An examination between transformational leadership and different group processes among different cultural groups for the diverse South African sample is strongly recommended. A study by Jung and Avolio (1999) examined the group processes among Caucasian and Asian Americans. The effect that transformational leadership had on the two different groups was investigated. Asian Americans generated more ideas working with a transformational leader, while Caucasian Americans generated more ideas working in groups with a transactional leader. In South Africa it would be interesting to investigate whether subordinates who have a collectivistic view of life differ in their perception of the same transformational leader from subordinates who have an individualistic, Western view of life.

Research in South Africa needs to be conducted in order to determine whether gender differences influence MLQ scores on the transformational leadership construct. A study by Carless (1998) in an international bank in Australia found that subordinates were of the opinion that women behaved in a more transformational manner than men. Another sensitive but interesting study would be to see whether leaders of different races differ in terms of their MLQ scores.

Another area of transformational leadership that needs to be researched is the differences in MLQ scores and profiles of leaders in different sectors. Do political leaders, financial managers, human resources managers, union leaders, community leaders, production managers, technical leaders, leaders in social welfare and public sectors differ in terms of their MLQ scores, with specific emphasis on the transformational leadership construct?

A difficult but relevant topic to be explored is the relationship between transformational leadership, effective negotiation and conflict handling skills. Are transformational leaders more effective negotiators than transactional leaders?

Is there a relationship between transformational leadership, effective decision-making and problem-solving abilities in managers? According to Bentz (1990) it is important to assess the problem-solving ability required by senior executives in companies. Are the values of transformational leaders aligned to the values of the organisation? Do companies align their values to the values of the leaders in smaller enterprises?

Further research needs to be done regarding the measurement of transformational leadership behaviours. This will enable consultants and trainers to fully utilise the potential of the *Full Range Leadership Programme*. It is the author's view that it is essential to do further research on Kirkpatrick's four levels of evaluation in order to

develop transformational leadership programmes to their maximum potential in South Africa. The golden rule still remains the same for developing any behaviour: "You can't manage what you don't measure." Measurement of transformational skills on Kirkpatrick's four levels of evaluation is discussed in more detail in **section 7.4**.

7.4 RESEARCH RECOMMENDATIONS REGARDING KIRKPATRICK'S FOUR LEVELS OF ANALYSIS FOR THE PURPOSES OF TRANSFORMATIONAL LEADERSHIP TRAINING

It is the author's view that evaluation of the *Full Range Leadership Programme* is critical for the successful development of leaders. Kirkpatrick (1994) suggests that the evaluation of training is critical for the successful implementation of programmes. Kirkpatrick (1994) suggests further that evaluation of training will give the trainer guidance as to whether a programme should be continued or dropped. The survey study on the reaction level indicates that the programme at the USB should be continued.

The author suggests a plan of action for measuring transformational leadership behaviours. Kirkpatrick (1994) suggests that the form must be designed to quantify reactions (level one). Written comments and suggestions should also be encouraged. Form Q1 can be used to develop a questionnaire generating quantitative and qualitative data testing the reaction of participants to the course at the USB. The author suggests that trainers should give participants time to complete questionnaires during training. Kirkpatrick (1994) suggests that participants should hand in their questionnaires before leaving the room after a training session. This could enable the coordinator of the *Full Range Leadership Programme* to get a one hundred percent immediate response.

A basic limitation of the study is that the training programme is only evaluated on the reaction level. A research design that consists out of a pre-test/post-test control group design would be more valid for evaluating the *Full Range Leadership Programme* on the reaction level. Aforementioned research design would also be able to ensure the valid evaluation of the *Full Range Leadership Programme* on the behavioural as well as result level.

It is suggested that control groups should be used for measurement at levels two, three and four. The author suggests a pre-test/post-test control group design for evaluating training for levels two, three and four. However, practical considerations such as time and cost should be considered. According to Goldstein (1993) both the control group and the experimental group should be given a pre-test and post-test. However, only the experimental group should be exposed to the instructional treatment.

In order to measure learning (level two) a pre-test/post-test measurement is preferable if possible. Skills and knowledge that need to be evaluated should be specified by the training objectives (Patrick, 1992). Evaluating increase in knowledge can be measured by a paper-and-pencil test. Three types of tests can be used for post-training effects, namely multiple choice tests, open-ended questions, and the listing of facts. Increases in transformational skills can be evaluated by a person who is familiar with the theory and practical application of these skills in a business environment. For evaluating increases in skills a performance test is recommended (Kirkpatrick, 1994).

Once again a control group is recommended for evaluating behaviour (level three). It is important to allow time in order to determine whether changes in behaviour have taken place for a pre-test/post-test control design group. In other words training has to take place before and after evaluation, if practicable. Kirkpatrick (1994) suggests waiting two or three months before conducting the first evaluation. Kirkpatrick (1994) even suggests a that another six months should elapse before an evaluation is repeated; if sufficient time is available a third evaluation could be made three to six months later. The author suggests that the MLQ can be used for measuring at the behaviour level.

Measurement on level four is concerned with whether or not the training programme enables the organisation to reach its objectives. Once again a pre-test/post-test control design group is suggested if practicable. It is recommended that enough time should be allowed for results to be achieved. It is important that the trainer should decide how often and when to evaluate.

In chapter six it was suggested that there are four perspectives of organisational effectiveness, namely goal-directed definitions, resource-acquiring definitions, constituencies and internal process definitions. Goal-directed evaluations regarding leadership training can be measured by improvements in profits, quality, productivity and increased sales. Cost decreases, increase of effectiveness of subordinates on performance appraisals and changes of attitude of followers towards the leaders can also be measured using level four analysis. Benchmarking can be used as a method of comparing leadership development to a standard group. Resource-acquiring definitions of organisational effectiveness can be measured by labour turnover (retaining skills) and profit. Kirkpatrick (1994) suggests a cost-benefits analysis for measuring at the results level. A cost-benefits analysis can be calculated by comparing the total cost of developing and implementing a programme to actual business results in order to see if skills have been acquired. Perceptions of constituencies at level four can be measured by the level of satisfaction by customers and shareholders by means of a questionnaire testing their feeling towards the company. Internal processes measures can be obtained by utilising the QDQ. Another option is the development of a questionnaire measuring certain aspects of the organisation: organisational culture and climate, worker morale, communication, teamwork, organisational image, strategic management, quality of

management, feedback regarding results, recognition, decision-making, management of change and organisational leadership.

The author suggests that all measurements should be done as part of an extended *Full Range Leadership Programme* at the USB. All measurements should be done as part of the training programme. The reasons are twofold. Firstly, a better response rate will be possible because raters will be more motivated since measurement will be part of their personal leadership development. Secondly, the researcher struggled to trace participants of the course at the USB telephonically. Reasons were as follows: retirement, job-hopping, emigration and the fact that participants worked extremely long hours. People change from departments, therefore the same raters are not always available.

As a whole, this dissertation has shown the feasibility of developing transformational leaders in South Africa. The results have indicated that there is a need for developing transformational leaders in South Africa. However, more research needs to be conducted in order to confirm the validity of the MLQ. Although being a select group, leaders trained at the USB showed a positive reaction to *The Full Range Leadership Programme*. The fact that a select group considered the training useful further indicates that there is a need for training transformational leaders in South Africa. There are also various avenues that can be explored in the future on the topic of transformational leadership. It is recommended that future research on this topic in South Africa can utilise the findings of this research project as a basis for further exploration.

7.5 THE ROAD AHEAD: TRANSFORMATIONAL LEADERSHIP IN SOUTH AFRICA

How can South African leaders and followers make sense of the radically changing external environment into this millennium? The future has entered the lives of South Africans at an unforeseeable rate. Change is inevitable owing to the snowball effect of political, economical, social and technological change in our society. South Africans need to adapt to change at an alarming rate. Disorientation and feelings of hopelessness and despair are the order of the day among South Africans.

The researcher is convinced that there has been a paradigm shift in leadership theory and practice regarding the South African situation. South Africans are desperate for leaders with integrity, a humane attitude, and a sense of mission and vision. Followers no longer appreciate autocratic leaders. Dissatisfied followers are frustrated by leaders who do not inspire trust and respect. Only leaders who communicate a vision and help followers to accomplish it can be rightfully called leaders. Leaders should be developed by organisations in order to make a contribution to the vastly underutilised resources in

the South African environment.

This research project has shown that the development of transformational leadership in South Africa is a critical issue. Indications of leadership potential should be obtained by psychological measures. Training programmes should be implemented in South Africa in order to develop leaders holding positions of responsibility. According to Clark and Clark (1990) some leadership programmes have demonstrated their value by increasing effective leadership behaviour to an extent, making this type of training financially viable. Displaying leadership behaviours by leaders should have a cascading effect throughout the organisation.

A sense of collaboration and connectedness needs to be displayed by South African leaders. A sense of community needs to be established in South African organisations. Organisations should become institutions that have meaning and a larger purpose. South Africans should commit themselves to larger organisational purposes as members of a democratic society. Trained transformational leaders are essential in order to create, build and shape more humane, flexible and effective organisations in South Africa.

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APPENDIX A

Title of study: THE FEASIBILITY OF TRANSFORMATIONAL LEADERSHIP TRAINING AND DEVELOPMENT IN SOUTH AFRICA.

You have been selected as one of the participants in this study on the basis of your involvement in the *Strategic Transformation Programme* or the *Strategic Management Programme* at the *Graduate School of Business, University of Stellenbosch*. As part of these two programmes, participants completed the condensed version of the "Full Range Leadership Programme" (Bass & Avolio). This study is funded by the University of Stellenbosch. We sincerely appreciate it that you have agreed to participate in this study in response to a telephone call, fax or e-mail message from the researcher, Mr. Jean du Rand. Participants can phone the researcher at (042) – 5411 711 if there are any questions or concerns regarding the research.

Your opinion, knowledge and experience of the Programme will be information that could affect the outcome and the results of the study. The study sets out to evaluate the "Full Range Leadership Programme" on the reaction level. There is a lack of research in this regard. Your assistance will contribute to the field of Transformational Leadership. The results of this research could help to improve the overall quality of the Programme by rectifying any deficiencies in the "Full Range Leadership Programme" at the USB.

The researcher needs the following assistance:

- Please complete Form Q1, testing your reaction to the programme.
- Please return the questionnaire to the researcher by using the enclosed envelopes that have been pre-paid by the University of Stellenbosch. The completed forms should be returned not later than 7 February 1999.

The researcher guarantees the anonymity and confidentiality of all respondents. A summary of the results will be made available to all participants in the study. We really appreciate your assistance in enabling us to investigate the effectiveness of the "Full Range Leadership Programme."

Kind regards

Prof. D. Tromp

APPENDIX B**Your reaction towards the "Full Range Leadership Programme"
(FORM Q1)**

This questionnaire reflects a number of statements regarding your experience of the "Full Range Leadership Programme". Using the scoring key indicate the degree to which you agree or disagree with each given statement. Please give the reason why you agree, disagree or have neutral feelings about a given item.

The scoring key is as follows:

1 = Strongly Disagree
2 = Disagree
3 = Neutral
4 = Agree
5 = Strongly Agree

Circle number 1, 2, 3, 4 or 5 according to your opinion on each statement.

1. The content was relevant and applicable to my work situation.

1 2 3 4 5

Briefly give a reason for your answer:

2. The programme was too "American" and is not applicable to the South African situation.

1 2 3 4 5

Briefly give a reason for your answer:

3. I had adequate opportunity to apply what I have learned in the working situation.

1 2 3 4 5

Briefly give a reason for your answer:

4. I did not have enough time to apply what I learned in the working situation.

1 2 3 4 5

Briefly give a reason for your answer:

5. The "Full Range Leadership Programme" has a lot of potential and should be presented on a continuous basis.

1 2 3 4 5

Briefly give a reason for your answer:

6. I believe that the feedback on my MLQ scores is not a true reflection of my leadership behaviour because I believe that I behave more in a transformational manner.

1 2 3 4 5

Briefly give a reason for your answer:

7. The programme was presented in a professional manner.

1 2 3 4 5

Briefly give a reason for your answer:

8. The program is not comprehensive enough in any way.

1 2 3 4 5

Briefly give a reason for your answer:

9. Transformational leadership skills are of the utmost importance to all managers at all levels.

1 2 3 4 5

Briefly give a reason for your answer:

Suggestions:

How can we increase the relevance, practicality and effectiveness of the:

1. Programme as presented at the USB? Are there deficiencies in the way you were trained? How can we rectify these?

2. Knowledge and Skills taught by the programme? Are there deficiencies in what you were trained to do? How can we rectify these?

Is there any other information you would like to convey?

APPENDIX C**KEY:**

II	Idealised Influence
IM	Inspirational Motivation
IS	Intellectual Stimulation
IC	Individual Consideration
Eff	Effectiveness
Sat	Satisfaction
EV	Eigenvalue
CR	Contingent Reward
MA	Management-by-Exception (Active)
MP	Management-by-Exception (Passive)
LZ	Laissez-Faire
EE	Extra Effort
SD	Standard Deviation

