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# Resilient leadership: a transformational-transactional leadership mix

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## Abstract

**Purpose** – This paper aims to bring to bear the resemblance between the current resilient leadership theory and the transformational–transactional leadership theories. It does this with the view of re-focusing discussions of leadership on an effective mix of the transformational–transactional leadership theories to achieve the desired organisational performance, rather than a new look at leadership from the resilient leadership perspective – which is quite the same.

**Design/methodology/approach** – It achieves this purpose by reviewing literature on the three leadership styles; and further goes on to draw a conceptual link among them to buttress the point that resilient leadership is a repetition of the ideas underlying the two already existing theories – transformational and transactional.

**Findings** – A review of the three leadership theories in literature showed that qualities such as strategic thinking, emotional intelligence, adaptation/change orientation, learning, performance orientation and collective leadership as captured under the resilient leadership theory are already considered under the transformational–transactional leadership theories, and thus, constitutes a repetition not needed in the search for the best leadership approach.

**Originality/value** – The current volatile, uncertain, complex and ambiguous environment calls for a new leadership thinking/approach – one that is known and empirically tested to yield best results. In this regard, the present study advocates for a consideration of the transformational–transactional approaches, which have been proven to yield best results, to focus the discussion on leadership.

**Keywords** Transformational leadership, Transactional leadership, Resilient leadership

**Paper type** Conceptual paper

## Introduction

A systematic examination of the leadership literature brings to light a plethora of theories propounded by scholars to provide an explanation as to what the concept is all about. These theories, ranging from the “Great man” theory, the behavioural theory through to the current transformational and transactional leadership theories, have basically emerged to explain the leadership landscape of the eras in which they emerged. A new addition to the collection of theories on leadership is the resilient leadership theory. This new leadership orientation has emerged in response to the serious and episodic nature of today’s threats or challenges, both man-made and natural, crippling the ability of organisations to perform, and also to meet the demands of the current world. In consideration of the above, one wonders if the discourse on leadership would come up with a cutting-edge leadership approach suited for all seasons and situations, given the fact that new theories of leadership emerge almost now and then adding to the already existing ones. This occurrence although good for the expansion of knowledge on



leadership, broadens the argument and, thus, makes it impossible to reach a consensus as to which approach is ultimately the best (Povah, 2012; Humphrey, 2001).

In view of this, the paper in the hope of narrowing the discussion on the leadership concept seeks to conceptually examine this new and emerging leadership orientation in the literature – *Resilient leadership* – by juxtaposing it against two of the most widely accepted and best theories on leadership in the current leadership literature – *Transactional and Transformational leadership theories*. This conceptualisation is done to bring to bear the major and significant similarities among these three leadership orientations, and also to bring to bear the fact that *resilient leadership* is just an effective combination of all or some dimensions under the *transformational* and *transactional* leadership styles.

To achieve this objective, the three leadership theories are first assessed independently, and then, a further review of literature in relation to the two already existing leadership theories, *transformational* and *transactional*, is conducted side-by-side the *resilient* leadership theory to form the basis of this argument. Furthermore, the paper relies on empirical studies conducted in these areas over the years to strengthen the argument for the incorporation of the resilient leadership theory under the existing transactional and transformational leadership theories, and perhaps the labelling of the partial fusion of these two leadership theories – *transformational* and *transactional* as “*Transfor-sactional*” rather than *resilient* leadership. A conceptual framework at the end of this analysis is also presented to better drive home the point being made.

### Leadership concept

The concept of leadership is perhaps one of the concepts in literature that is quite difficult to define due to its dynamic nature. However, a couple of definitions provided by some authors are suggested to provide some level of knowledge on the concept. According to Larson (1968 as cited in McCloskey, 2015, p. 2), leadership is “the ability to decide what is to be done and then to get others to want to do it”. Truman (1958 cited in McCloskey, 2015, p. 2) also defined a leader as “a man who has the ability to get other people to do what they don’t want to do, and like it”. These two definitions project three basic issues about leadership: leadership is about initiation, leadership involves people (followers) and leadership involves providing direction to resources, behaviours and energies towards the achievement of goals.

Many theories have emerged over the years to explain what the concept is all about: some have looked at the concept through an assessment of the innate qualities possessed by some people which positions them for leadership roles – *Great Man* and *Traits* theories (Carlyle, 1888); some also looked at the behaviours exhibited by leaders as well as the context within which leaders find themselves as a means of explaining the concept – *Behavioural* theory, and *Situational* and *Contingency* (Lewin, 1935; Fielder, 1967) theories of leadership, respectively; and finally, in recent times, others have looked at the concept based on an assessment of the relationship and exchanges that exist between leaders and their followers in pursuit of organisational goals – *Transformational* and *Transactional* theories of leadership. Despite the many theories on leadership, this study focuses on the transformational leadership theory; transactional leadership theory; and currently in the leadership literature, the resilient leadership theory. These three theories appear to largely form the current orientation under the leadership concept.

*Resilient leadership*

The theory of resilient leadership, just like the broader concept of leadership, is quite complex to define or to assign a generic definition. However, a look at what resilient organisations are as defined by Robb (2000) should provide some understanding as to what resilient leadership is basically about. This is in view of the fact that several relationships have been found to exist between leadership and organisational outcomes such as organisational culture (White, 2013; Bass and Avolio, 1993; Gladwell, 2000 as cited in Everly, 2010), employee motivation, employee job satisfaction (Ngadiman *et al.*, 2013; Voon *et al.*, 2011), employee performance, team performance and organisational performance (Wang *et al.*, 2011 as cited in Lai, 2011), among others. Thus, portraying the fact that an organisation's characteristics or image is what the leaders carve for it (Povah, 2012). Robb defined a resilient organisation as one that is:

[...] able to sustain competitive advantage over time through its capability to do two things simultaneously: deliver excellent performance against current goals; and effectively innovate and adapt to rapid, turbulent changes in markets and technologies (p. 27).

This definition he provided in response to how to grow organisations that are not susceptible to the current volatile, uncertain, complex and ambiguous (VUCA) business environment. According to Robb (2000), to develop such organisations, two sub-systems must co-exist – *Performance system* and *Adaptation system* – to ensure that the entire organisational system is able to quickly adjust and normalise in response to changing environmental conditions. These two sub-systems depict two well-known phrases in the management literature: *Performance or task orientation* and *Change orientation*. From the above definition, one can then suggest that resilient leadership is one that is able to sustain an organisation's or a group's competitive advantage over time through its ability to perform two tasks simultaneously: deliver excellent performance against current goals, and effectively innovate and adapt to rapid, turbulent changes in markets and technologies. In other words, resilient leadership can be defined as one that is both performance-oriented and change-oriented, and thus, pays attention to the meeting of organisational goals and also focused on initiating and managing change within the organisation to suit the demands of both the internal and external business environment.

According to Grint (2005 as cited in Clayton, 2012), the challenges leaders face in today's business environment can be termed as *wicked* problems. Clayton explains that these *wicked* problems are:

[...] characterized by their novelty and uniqueness. They are socially complex and each stakeholder may have a different understanding and desired outcome. They are messy and do not have one solution. They cannot fully be solved as there is generally no clear sense of what the problem actually is and solving one problem may well cause another (p. 79).

In her view, to tackle these problems, leaders would have to adopt unusual and innovative means to provide direction, rather than using the same approaches in solving what she terms *tame* problems – which are common day-to-day organisational problems. According to Patel (2010) and Faustenhammer and Gössler (2011), this character of great fortitude against these continuously evolving and disturbing problems can be developed by leaders through exposure to challenging past experiences (both in professional and personal lives) and the learning from these challenges thereof. Patel (2010) and Clayton (2012) both admit that decisions emerging from this kind of leadership may be viewed differently by stakeholders and, thus, may consequently lead

to such a leader having to face some additional challenges. This therefore means that such a leader must have to alternate among various leadership styles to ensure that whichever situation is presented is handled effectively. Patel in an empirical study emerged with three types of situations in which leaders must show resilience or may show a leader as resilient: Type 1: *resilience in reacting to stressful situations*; Type 2: *resilience in creating stressful situations*; and Type 3: *resilience in chronic stressful situations*. The first type she explains is the *one-off* type of challenge, which occurs just momentarily and dissipates with the passing of time. The second type looks at leadership resilience from two perspectives: firstly, the ability to create a Type 1 situation for others, for example making an employee redundant; and secondly, dealing with the consequences or aftermath of such a decision. According to Patel (2010, p. 3), Types 1 and 2 are episodic in nature. Furthermore, the third type, Patel explained, refers to a leader's "ability to deal with more or less continuous stressful management challenges. In effect it may be repeated episodes of Type 2 resilience strung out over a period of time".

A look through the current literature on leadership seems to project *resilient leadership* as the most suitable approach that should be adopted by leaders in today's global economy (Clayton, 2012; Patel, 2010; Archibald and Munn-Venn, 2008; Faustenhammer and Gössler, 2011; Robb, 2000). In view of this, many authors have looked at how resilience can be developed in leaders to ensure that they are able to cope, withstand, survive and gain normalcy when faced with challenging situations. Some of the qualities that have been mentioned by authors that portray resilience include emotional intelligence, strategic thinking, ability/desire to learn from past experiences, flexibility in the use of the various leadership approaches, ability to develop others, goal and change-oriented, among others (Clayton, 2012; Patel, 2010; Archibald and Munn-Venn, 2008; Faustenhammer and Gössler, 2011).

#### *Transformational leadership*

Transformational leadership epitomises the ideal style of leadership demanded of leaders by organisations and followers. This is due to its significant impact on organisational outcomes such as employee job satisfaction (Ngadiman *et al.*, 2013; Voon *et al.*, 2011) and performance (organisational, team and individual) (Wang *et al.*, 2011 as cited in Lai, 2011; Garcia-Morales *et al.*, 2012; Dvir *et al.*, 2002), among others. According to Bass (1985 as cited in Rowold and Schlotz, 2009, p.36), "transformational leadership emphasizes higher motive development, and arouse followers' motivation and positive emotions by means of creating and representing an inspiring vision of the future". Another author, Warrilow (2012 as cited in Odumeru and Ifeanyi, 2013, p. 356), described transformational leadership as leadership that "creates positive change in the followers whereby they take care of each other's interests and act in the interests of the group as a whole". Thus, transformational leadership explains leadership that adopts an effective combination of a holistic and individualistic approach to meeting the collective goals and ambitions of a group. Indeed, it could be described as leadership with full knowledge of how dependent the attainment of a collective goal is on the relationship and performance of the individual constituents of a system. According to Bass (1985 as cited in Lai, 2011), the transformational leadership theory consists of five dimensions: *idealised influence* (further split into two dimensions), inspirational motivation, intellectual stimulation and individual consideration. Under the idealised influence dimension, transformational leaders are said to exhibit certain charismatic traits,

reflecting their values and principles, which their followers believe to be ideal, and thus, presents them as individuals with characters worthy of emulation. Indeed, according to Nikezić, Purić and Purić (2012), the transformational leadership style is linked to Max Weber's charismatic leadership approach, where such leaders are perceived as beings with exceptional traits not found in other men. The inspirational *motivation* dimension explains how transformational leaders effectively communicate, create and stimulate in followers, a sense of ownership of the group's aspiration to ensure some form of shared responsibility towards the attainment of organisational goals. According to Lai (2011, p. 3), "these leaders demonstrate enthusiasm and optimism, and emphasize commitment to a shared goal". In furtherance of these, transformational leaders also stimulate or create in followers, a great sense of inventiveness and an out-of-the-box mentality to solving problems – *intellectual stimulation*. Transformational leaders create a dynamic working environment where old approaches are challenged or tested and new ones are developed or adopted (Rowold and Schlotz, 2009) to ensure relevance to conditions prevalent in both the internal and external environment. Finally, transformational leadership aside leading towards the attainment of higher level goals (organisational), also incorporates the individual aspirations and needs (personal and professional) of followers (Odumeru and Ifeanyi, 2013) into the overall scheme of affairs – *individual consideration*.

#### *Transactional leadership*

Bass (1985) explains that transactional leadership is said to exist when:

[...] changes in degree or marginal improvement can be seen as the result of leadership that is an exchange process: a transaction in which followers' needs are met if their performance measures up to their explicit or implicit contracts with their leader.

Also, according to Yukl (1981 as cited in Kuhnert and Lewis, 1987), transactional leadership "represents those exchanges in which both the superior and the subordinate influence one another reciprocally so that each derives something of value". In a summation of these two definitions, one could define transactional leadership as a leadership approach founded on a contractual agreement between a leader and his followers (Penn, 2015), where each side expects of the other a fulfillment of the agreed terms of transaction to ensure the survival of the relationship existing between them. According to Bolden *et al.* (2003, p. 15), this leadership approach has been the "traditional model of leadership with its roots from an organisational or business perspective in the 'bottom line'". Thus, to ensure the attainment of performance (financial), such leaders resort to the establishment of specific parameters, guidelines, rules and performance standards, coupled with the establishment of reward and punitive systems to enforce positive work behaviours and discourage negative ones, respectively (Russell, 2011). This situation thus portrays transactional leaders as more task- or goal-oriented than people-oriented.

The transactional leadership style explains leadership behaviours from three perspectives: contingency reward and management by exception – further split into two: passive and active (Bass, 1997). Contingency reward explains the adoption of a reward system (those that lead to extrinsic motivation) by leaders in exchange for the attainment of a desired outcome from followers. Management by exception (active) refers to the adoption by leaders of a micromanagement approach to handling followers. This involves the leader paying detailed attention to the activities of followers to ensure

a strict adherence to established procedures, and also to provide prompt remedial guidelines or measures to correct deviations or mistakes. On the other hand, passive management by exception refers to transactional leadership behaviours that grant followers or employees some supervisory space to allow them to carry out their functions, but only demands for intervention when there are deviations or issues of unmet performance standards.

### **The transformational–transactional leadership link**

The link between the transformational and transactional leadership styles has been looked at extensively in literature. Findings of some empirical studies in different contexts have shown the existence of a link between the two approaches, mostly, the augmenting role of the transformational leadership style to the transactional leadership style.

Rowold (2006) conducted an empirical study to ascertain/investigate the use of transformational leadership skills within the world of sport coaching; and also to find out if the transformational leadership skills augmented the transactional leadership skills as captured in literature. Their study was conducted among 200 martial arts students from 20 different studios in Germany using the Multi-factor Leadership Questionnaire (MLQ). The research found that:

[...] while controlling for students' and coaches demographic variables and skill levels, this augmentation hypothesis was confirmed for three of the four dependant measures (Rowold, 2006, p. 321).

Furthermore, the author asserts that within the world of coaching, the skill of management-by-exception (active), which is transactional, is important to have in coaching by helping watch for trainees' mistakes and making corrections. Rowold (2006) proposes that "Management-by-Exception (active) is an important leadership skill for sport coaches – it might be seen as a prerequisite for transformational leadership" (Rowold, 2006, p. 322). Going on to explain, Rowold (2006, p. 322) discusses that active management-by-exception, through detection and correction of student's mistakes, provides the coaches an opportunity to "interact with students directly, and, therefore, have a better chance to transform their values".

Bass *et al.* (2003) also undertook a study to ascertain how leadership ratings collected from units operating under stable conditions predict subsequent performance of those units operating under high stress and uncertainty. Also, the study sort to explore whether platoon leader's (sergeant's) transformational leadership augmented transactional contingent reward leadership in predicting unit performance. To measure this, the authors calculated the predictive relationships for the transformational and transactional leadership of 72 light infantry rifle platoon leaders for ratings of unit potency, cohesion and performance for US Army platoons participating in combat simulation exercises using the MLQ measuring scale. Using the hierarchical regression model, the analysis initially showed no augmenting role of transformational leadership to transactional leadership. However, after a reexamination of the measuring scale on contingent reward focusing only on two lower-order transactional items, an augmenting role of transformational leadership to transactional leadership was observed in boosting unit performance.

Another study was conducted by Stone (1992) to ascertain how transactional and transformational leadership skills are exhibited by school principals. The research

included 27 school principals, who have worked in a number of rural and urban district schools at all levels of schooling, across the state of Minnesota. The MLQ was given to all 27 principals as well as 482 teachers, within each of the school districts. The conclusions show that there is a need for improvements in some of the transactional and transformational traits. According to the researcher:

[...] findings clearly suggest that principals who do demonstrate both transformational leadership and transactional leadership are successful in their ability to elevate staff morale, performance and school-wide productivity (Stone, 1992, p. 6).

Stone in this study discussed the need to improve various transformational characteristics; and also identified areas of improvement in both transactional characteristics of contingent reward and management-by-exception (p. 23). Stone suggested that through an increase in the frequency of constructive exchanges between principals and teachers, and also the minimising of corrective actions taken by the principals with teachers, ratings generated by teachers for transactional leadership could be improved.

A fourth example of research on transactional and transformational leadership is one concerning a multi-national study done of building professionals. Chan and Chan (2005) explored both transactional and transformational leadership among building professionals across four locations: Australia, Hong Kong, Singapore and the United Kingdom. The MLQ was once again used to gather data from 7,200 respondents. Among the findings of Chan *et al.* (2005), there was information as to how transformational leadership augments transactional leadership characteristics. Through regression analysis, they found that:

[...] transformational leadership can augment transactional leadership to produce a greater effect on the performance and satisfaction of employees; however, transactional leadership does not augment transformational leadership (p. 419).

Furthermore, the authors supported the augmentation of transactional leadership by transformational leadership, through discussion of the regression analysis and their findings that:

[...] transformational leadership has a substantial add-on effect on transactional leadership in prediction of employees' rated outcomes of extra effort, perceived leader effectiveness, and satisfaction with the leaders in the sample of building professionals (p. 420).

In addition to the empirical studies above, the connection between the two approaches is further projected through their linkage with effective leadership. Cooper and Nirenberg (2012, p. 1) defined effective leadership from the larger social group perspective as:

[...] the successful exercise of personal influence attempts by one or more people that results in accomplishing organisational objectives congruent with a mission while earning the general approval of their constituencies (in the case of political leadership) or stakeholders (in the case of business and civil society organisations).

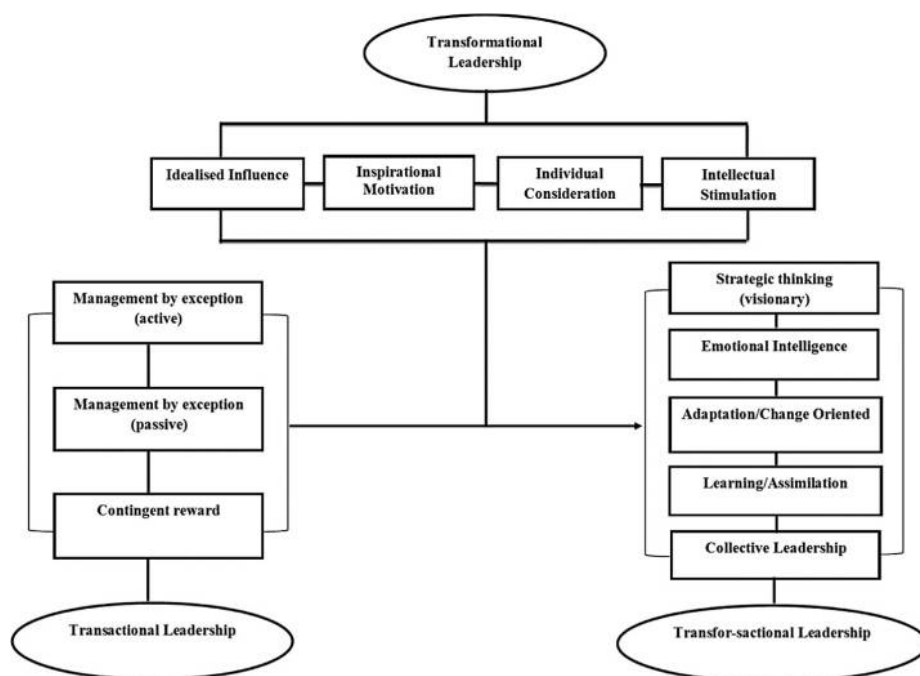
According to them, effective leadership is fundamentally the practice of the following principles: building a collective vision, mission and set of values that help people focus on their contributions and bring out their best; establishing a fearless communication environment that encourages accurate and honest feedback and self-disclosure; making information readily available; establishing trust, respect and peer-based behaviour as the norm; being inclusive and patient, show concern for each person; demonstrating resourcefulness and the willingness to learn; and creating an environment that

stimulates extraordinary performance. In a meta-analytic study of 626 correlations from 87 sources, [Jugde and Piccolo \(2004\)](#) as cited in [Lai, 2011](#)) found the various dimensions of the transformational leadership style (idealised influence, inspirational motivation, intellectual stimulations and individualised consideration) and a single dimension of the transactional leadership style (contingent reward) to be linked with effective leadership. Indeed, [Lai \(2011\)](#) opines that an effective combination of these two leadership approaches may yield best results or organisational outcomes. [Bass \(1985\)](#) also accentuates the fact that although the transformational and transactional leadership styles may look distinct, they are not necessarily mutually exclusive. This therefore means that both leadership approaches could be present in a leader, and that there is no need for one to be absent to make way for the other. Bass explains that effective leaders make use of both approaches simultaneously to achieve best results. He further states that transformational leadership actually augments transactional leadership.

To conclude on the above, [Locke et al. \(1999\)](#) opined that all leadership approaches or styles involve some form of transaction, some of which may be medium or long term in nature. This assertion applies to transformational leadership too. Consequently, this also explains why the augmenting role of transformational leadership to transactional leadership and not the other way round, as captured by some of the empirical studies reviewed ([Chan et al., 2005](#)).

### **“Transfor-sactional” leadership – the transformational–transactional leadership mix**

Although it is important for the development of new knowledge on leadership to match the changing times or to incite some sense of urgency among leaders for change, it appears that the large number of theories emerging almost now and then (including resilient leadership) rather shrouds what ideal leadership is and puts leaders (state and corporate) into a state of confusion. It is therefore imperative now more than ever, considering the “VUCA” nature of today’s world, that the various thinking underlying the concept of leadership is reexamined to reach a central point to discussing and assessing leadership ([Sinclair, 2007](#)). Discussions on leadership in the current literature have provided two extremes to analysing leadership effectiveness. At one end of the continuum, there is an assessment of effective leadership based on a leader’s ability to ensure compliance by followers to established procedures, systems and structures in a bureaucratic organisational system. At the other extreme, leadership effectiveness is assessed based on a leader’s ability to create a shared responsibility towards the attainment of organisational goals and the future sustenance of the organisation. The author in view of this argues that the expansion of knowledge on leadership should be centred on how an effective mix of the transactional and transformational leadership theories would yield best results. This is in view of the fact that, an effective mix of the transactional and transformational leadership approaches embodies elements of an ideal leadership approach needed to solve the challenges of the present, while focusing on addressing future challenges as well. As depicted in the literature review presented above and the “Transfor-sactional leadership” model in [Figure 1](#) below, it is quite obvious that the resilient leadership theory shares similarities with two already existing theories of leadership – *transformational* and *transactional*. Indeed, arguments raised under the resilient leadership theory are arguments already captured by the



Source: Author (2014)

Figure 1.  
The  
“transfor-sactional”  
leadership model

transformational and transactional leadership theories and even more, thus constituting a repetition of arguments under a new label – *resilient leadership*.

The resilient leadership theory basically explains leadership that is strategic in thinking (proactive), change- or adaptation-oriented, emotionally intelligent, performance-oriented, desirous of knowledge through learning and collective in its approach to leadership, among others (Blue Sky Performance Improvement as cited in Clayton, 2012; Patel, 2010; Archibald and Munn-Venn, 2008; Faustenhammer and Gössler, 2011) – similar to the qualities explaining effective leadership by Cooper and Nirenberg (2012). This therefore explicitly implies a link between transformational–transactional leadership and resilient leadership.

Transformational leaders are described in the leadership literature as leaders who through their charisma and their appeal for higher moral and ethical standards influence others (followers) towards higher objectives, visions and missions. They are also believed to be visionaries, who through the proper articulation of visions to followers inspire them to look beyond their parochial or individual interests for the bigger organisational goal (Ngadiman *et al.*, 2013), usually ones that seek to improve on both the internal and external environment. This therefore presents transformational leaders as leaders who are mindful of the relationship existing between the two business environments and, thus, strategise to ensure that the negative impacts of both environments on one another are planned for and minimised to ensure continuity – thus they are long-term-focused. The same thinking underlies the need for resilient leaders who are proactive in nature, and are also aware of how the fast-changing external

environment affects the internal business setting, so as to plan and minimise impacts (Clayton, 2012). Again, the resilient leadership theory points to the fact that handling today's "wicked" problems requires some sort of collective leadership, where followers are included in the decision-making process and are developed to take up leadership roles (Patel, 2010). According to Clayton (2012, p. 79):

[...] the days when a command and control leadership style is the most appropriate have disappeared. So too has the era of the heroic model of leadership where one person or a small group of people at the top of the organisation know what to do and make the decisions accordingly.

Likewise, the transformational leadership approach also seeks to develop the leadership capacities of followers. Transformational leaders through intellectual stimulation cause followers to question systems, processes and assumptions, thereby causing them to emerge with innovative and creative ideas to solve the challenges they face, rather than adopting a directive approach to leadership. Thus, the transformational leadership approach, just like resilient leadership, encourages learning through an assessment of both the internal and external environment for any learning opportunity to build individual, team and organisational capacities or resilience. Furthermore, authors such as Patel (2010), Clayton (2012) and Faustenhammer and Gössler (2011) have stressed on the importance for leaders during this challenging times to have knowledge of themselves (personality) and followers' personalities and also the ability to manage such personalities to guide them towards positive work outcomes (Salovey and Mayer, 1990 as cited in Povah, 2012). This explains the emotional intelligence required of leaders to be resilient. The process of change in any setting comes along with some requirement for changes (adjustment) in the thinking, values and behaviours of members (Moran and Brightman, 2000), which may be difficult for some employees to handle. This therefore requires leadership that is emotionally intelligent to better understand, assess and predict how organisational changes may affect the individual employee's values, thinking and behaviours and how these effects to the individual employee's behaviour would adversely affect the whole change process. The knowledge of this would enable the leader to properly communicate the need for such an organisational change and thus inspire all employees to follow or embrace the change process rather than resist it. Several empirical studies have found some positive link between the transformational leadership approach and emotional intelligence (Herbert, 2011; Gardner and Stough, 2001; Rahman *et al.*, 2012; Afsheen *et al.*, 2011).

Furthermore, Robb (2000) in his work, "Building resilient organisations", explained that building organisational resilience involved establishing two interpenetrating sub-systems with complementary domains of activity, namely, performance system and adaptation system. According to Robb, the performance system is responsible for performance of current goals and tasks in the interest of immediate survival, and they tend to be excellent at repetitive tasks, and delivering results against current goals. They are generally bureaucratic, and are based on underlying assumptions of task and environmental stability. The complementary sub-system (adaptation system), on the other hand, is responsible for long-term sustainability through the generation of alternative paths, ideas, modes of operating and behavioural norms. It constantly generates possible futures. A critical assessment of these two sub-systems, performance and adaptation, brings to bear elements of the transactional and transformational leadership styles, respectively. Transactional leaders are noted in literature for their strong focus on matters of performance

through compliance to set parameters, guidelines, rules and expectations in relation to work activities by subordinates (Russell, 2011). Bolden *et al.* (2003, p. 15) explain that this leadership approach has been the “traditional model of leadership with its roots from an organisational or business perspective in the ‘bottom line’”. Thus, transactional leaders believe in the strict structuring, formalisation and standardisation of organisational activities (as in the case of bureaucratic organisations) to ensure predictability, compliance and control, so as to achieve set goals (Nikezić *et al.*, 2012). In view of this, they are perceived as leaders who like to operate within an existing scope with no desire or intent for change (Odumeru and Ifeanyi, 2013), and thus, keen on the effective performance of routinised or mundane activities by subordinates. Odumeru *et al.* (2013, p. 358) explain that “this type of leadership is effective in crisis and emergency situations” – a similar situation calling for resilience in leaders today.

On the other hand, transformational leadership, a leadership approach that is so much engrossed with thoughts of the future and change, clearly fits the kind of leadership required to develop the adaptation sub-system intimated by Robb (2000) to survive the current VUCA business environment. According to Nikezić *et al.* (2012, p. 288), “transformational leaders seek to change existing patterns, values, beliefs and goals, and create new ones that encourage greater commitment”.

Figure 1 presents a conceptual model to augment the understanding of the arguments raised above. As can be observed from the model, an effective transformational and transactional leadership mix constitutes the resilient leadership approach. It is against this backdrop that the paper calls for the labelling of this effective mix of these two already existing leadership theories as “transformational” leadership.

## Conclusion

The review conducted above on the leadership literature presents the transformational and transactional leadership approaches as capable of providing direction to solving the current crisis the world faces. The current VUCA environment demands for flexible organisational structures that can easily be dissolved and reconstructed in a new way to meet the demands of the present (Robb, 2000). Consequently, this flexibility demands for leadership that is both able to embrace change and also able to operate within established structures until the need for a structural change arises. Thus, a leadership approach that effectively fuses the various dimensions under the transformational and transactional leadership approaches.

In view of this, the author advocates for the consideration by management practitioners and management scholars of how to effectively mix these two leadership approaches to meet the demands of the current unstable and unpredictable environment. The author further advocates for management scholars to move towards a consensus on effective leadership around the transformational and transactional leadership theories, as this would aid in the development of a cutting-edge leadership approach suitable for most, if not all, situations.

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